

Interim Report 中期報告

2019



Brilliant Circle Holdings International Limited
貴聯控股國際有限公司

Incorporated in the Cayman Islands with limited liability
於開曼群島註冊成立之有限公司
Stock Code 股份代號：1008



Contents

目錄

Corporate information 公司資料	2
Chairman's statement 主席報告書	4
Management discussion and analysis 管理層討論及分析	8
Other information 其他資料	14
Report on review of condensed consolidated financial statements 簡明綜合財務報表審閱報告	18
Condensed consolidated statement of profit or loss and other comprehensive income 簡明綜合損益及其他全面收益報表	20
Condensed consolidated statement of financial position 簡明綜合財務狀況報表	22
Condensed consolidated statement of changes in equity 簡明綜合權益變動表	24
Condensed consolidated statement of cash flows 簡明綜合現金流量表	26
Notes to the condensed consolidated financial statements 簡明綜合財務報表附註	28



Corporate information

公司資料

DIRECTORS

Executive Directors

Mr. Cai Xiao Ming, David (*Chairman*)
Mr. Qin Song (*Vice-Chairman and Chief Executive Officer*)
Mr. Chen Xiao Liang (appointed on 12 March 2019)
Mr. Chen Huapei

Non-Executive Director

Ms. Li Li

Independent Non-Executive Directors

Mr. Lam Ying Hung, Andy
Mr. Lui Tin Nang
Mr. Siu Man Ho, Simon

COMPANY SECRETARY

Mr. Chung Tat Hung

AUDIT COMMITTEE

Mr. Lui Tin Nang (*chairman of the audit committee*)
Mr. Lam Ying Hung, Andy
Mr. Siu Man Ho, Simon
Ms. Li Li

REMUNERATION COMMITTEE

Mr. Lam Ying Hung, Andy
(*chairman of the remuneration committee*)
Mr. Siu Man Ho, Simon
Mr. Lui Tin Nang
Mr. Chen Huapei
Ms. Li Li

NOMINATION COMMITTEE

Mr. Siu Man Ho, Simon
(*chairman of the nomination committee*)
Mr. Lam Ying Hung, Andy
Mr. Lui Tin Nang
Mr. Qin Song
Ms. Li Li

AUTHORISED REPRESENTATIVES

Mr. Chen Huapei
Mr. Chung Tat Hung

AUDITOR

Deloitte Touche Tohmatsu

董事

執行董事

蔡曉明先生(主席)
欽松先生(副主席兼行政總裁)
陳校良先生(於二零一九年三月十二日獲委任)
陳華培先生

非執行董事

李莉女士

獨立非執行董事

林英鴻先生
呂天能先生
蕭文豪先生

公司秘書

鍾達鴻先生

審核委員會

呂天能先生(審核委員會主席)
林英鴻先生
蕭文豪先生
李莉女士

薪酬委員會

林英鴻先生
(薪酬委員會主席)
蕭文豪先生
呂天能先生
陳華培先生
李莉女士

提名委員會

蕭文豪先生
(提名委員會主席)
林英鴻先生
呂天能先生
欽松先生
李莉女士

授權代表

陳華培先生
鍾達鴻先生

核數師

德勤•關黃陳方會計師行

Corporate information

公司資料

PRINCIPAL BANKERS

Hang Seng Bank Limited
Bank of China (Hong Kong) Limited
The Hongkong and Shanghai Banking Corporation Limited
China Construction Bank (Asia) Corporation Limited

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

SMP Partners (Cayman) Limited
Royal Bank House
3rd Floor, 24 Shedden Road
P. O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

REGISTERED OFFICE

Cricket Square Hutchins Drive
P.O. Box 2681
Grand Cayman
KY1-1111
Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Capital Centre
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Wanchai
Hong Kong

CORPORATE WEBSITE

www.bcghk.cn

STOCK CODE

1008

LISTING DATE

30 March 2009

主要往來銀行

恒生銀行有限公司
中國銀行(香港)有限公司
香港上海滙豐銀行有限公司
中國建設銀行(亞洲)股份有限公司

股份過戶及登記總處

SMP Partners (Cayman) Limited
Royal Bank House
3rd Floor, 24 Shedden Road
P.O. Box 1586
Grand Cayman KY1-1110
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
皇后大道東 183 號
合和中心 22 樓

註冊辦事處

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P.O. Box 2681
Grand Cayman
KY1-1111
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總部及香港主要營業地點

香港
灣仔
告士打道 151 號
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股份代號

1008

上市日期

二零零九年三月三十日

Chairman's statement

主席報告書

On behalf of the board (the “Board”) of directors (the “Directors”) of Brilliant Circle Holdings International Limited (the “Company”) and its subsidiaries (together the “Group”), I present the interim results of the Group for the six months ended 30 June 2019 (the “Period under Review”).

BUSINESS REVIEW

During the Period under Review, the Company achieved revenue of approximately HK\$616.9 million with profit attributable to owners of the Company amounting to approximately HK\$76.1 million and basic earnings per share of approximately HK5 cents. The Board did not recommend the payment of an interim dividend for the Period under Review.

Comparing with the corresponding period of 2018, Renminbi (“RMB”) had depreciated against Hong Kong dollars (“HKD”) by about 6% which had adversely affected the Group’s consolidated results as the functional currency is RMB while the financial figures are all denominated in HK\$.

During the Period under Review, the Chinese economy grew even more challenging on multiple fronts. Despite many rounds of face-to-face negotiations, not only was the trade war with the United States of America (the “US”) no closer to being resolved, but the conflict has culminated in another round of US tariff and China’s termination of various agreed purchase programs on US agricultural products. While the Chinese government has taken a number of steps to encourage consumer spending such as providing discounts and subsidies for purchases of household goods, tax cuts, loosening of monetary policy to encourage bank lending, their effect has not materialised as visibly in magnitude as intended.

The Chinese cigarette market during the Period under Review appears to be less susceptible to the turbulent economic environment and even showed encouraging resurgence especially in the first quarter except that the demand growth for the high tier products has not ensued to the expected extent yet.

本人謹代表貴聯控股國際有限公司(「本公司」)及其附屬公司(統稱「本集團」)董事(「董事」)會(「董事會」)呈報本集團截至二零一九年六月三十日止六個月(「回顧期間」)的中期業績。

業務回顧

於回顧期間，本公司實現收益約616,900,000港元，而本公司擁有人應佔溢利約為76,100,000港元，每股基本盈利約為5港仙。董事會不建議就回顧期間派付中期股息。

與二零一八年同期相比，人民幣(「人民幣」)兌港元(「港元」)貶值約6%，對本集團的綜合業績造成不利影響，原因為本集團的功能貨幣為人民幣且財務數據均以港元計值。

於回顧期間，中國經濟在多方面遭遇更嚴峻挑戰。經過多番會面談判後，與美利堅合眾國(「美國」)的貿易糾紛不但未能劃上句號，衝突更進一步升級，隨著美國展開新一輪關稅行動，中國亦暫停各項已商定的美國農產品採購計劃。雖然中國政府已採取一系列措施鼓勵消費，例如家庭用品折扣及補貼、減稅及透過放寬貨幣政策鼓勵銀行放貸，惟迄今成效未如預期。

中國香煙市場似乎不太受回顧期間動盪經濟環境所影響，甚至於第一季度嶄露令人鼓舞的復蘇勢頭，只是高檔產品的需求增長尚未達到預期程度。

Chairman's statement

主席報告書

Printing and Manufacturing of Cigarette Packages and Related Materials

During the Period under Review, though the Group remained subject to price pressure brought by the mandatory tendering, the shipment associated with new major tenders helped lift business volume. Coupled with taming of material cost inflation, the profit from the segment of printing and manufacturing of cigarette packages and related materials, being the most significant segment of the Group, recorded a marked improvement in product profitability compared with the corresponding period of 2018.

Manufacturing of Laminated Papers

The segment profit of laminated paper manufacturing has decreased mainly due to increase in staff and material cost and RMB depreciation during the Period under Review.

Sales of RFID products

During the Period under Review, the result of the Group's internet-of-things ("IoT") company did not perform as expected as one of the major lucrative RFID customers has changed its business. The revenue from this segment has dropped slightly with its profit affected by a relatively significant extent.

印刷及製造香煙包裝及相關材料

於回顧期間，本集團仍然面對強制招標制度所帶來的價格壓力，但付運新獲批大型招標相關貨品刺激業務量上升，加上材料成本漲勢放緩，對本集團至關重要的印刷及製造香煙包裝及相關材料分部溢利在產品盈利能力方面較二零一八年同期顯著提升。

製造複合紙

製造複合紙分部溢利減少，主要由於回顧期間員工及材料成本增加以及人民幣貶值。

銷售射頻識別產品

於回顧期間，受其中一名主要活躍射頻識別客戶改變業務所影響，本集團旗下物聯網（「物聯網」）公司表現未如預期。來自該分部的收益輕微下降，其利潤亦相對備受打擊。

Chairman's statement

主席報告書

PROSPECTS

The latest round of tariff announcements made by the US foresee that by the end of 2019, essentially all Chinese goods exported to the US will be subject to tariff where US\$300 billions and US\$250 billions of which will rise to 15% and 30% respectively. Adverse development in the trade war might start to dampen consumption as it affects consumer confidence by increasing redundancy brought by restructuring of regional supply chain at the expenses of China and will undermine the effect of various stimulus measures introduced by the Chinese government.

On the other hand, the cigarette package printing business of the Group is expected to be only slightly and indirectly affected by the trade war in view of vigorous demand for cigarette products in China. While the continual effort for destocking and price pressure from mandatory tendering is expected to persist within the industry, such challenges have already been well contained by the Group, among other fittest players in the industry.

Apart from the local market, China National Tobacco Corporation (CNTC) is now taking a global push with full government support to rival with the likes of Philip Morris and British American Tobacco in global markets. China exported cigarettes worth US\$722 million in 2018 according to customs data, up from US\$248 million a decade ago. To sustain market growth in the Chinese cigarette market and leverage the government's planned expansion in overseas market, the Group is strategically speeding up launching cycle of new products rather than solely focusing on the major conventional brands.

As part of the long term strategy to diversify into other non-cigarette package businesses, the Group has expanded its capacity to produce laminated papers and related materials not only for self-use but for other cigarette package printers and subcontractors. Such strategy is expected to add stimulus both to existing businesses and cross-selling opportunities to other non-cigarette package paper product market. Despite the recent loss of business from a major RFID customer, the IOT factory has been contemplating another new product line for production of near-field communication price tags for apparel markets and stretch its geographical reach beyond Asia into Europe and South America.

前景

美國最近公布新一輪關稅措施，預計二零一九年底所有出口美國的中國商品須加徵關稅，其中3,000億美元及2,500億美元商品的適用稅率將分別上調至15%及30%。隨著貿易戰愈演愈烈，中國將面臨區域供應鏈重組帶來的裁員問題，影響中國政府各種提振措施的成效，繼而打擊消費者信心並削弱消費意慾。

另一方面，受惠於中國香煙產品需求旺盛，預期貿易戰只會對本集團旗下香煙包裝印刷業務造成輕微間接影響。雖然去庫存趨勢未止及強制招標制度所帶來的價格壓力預料持續影響業界，本集團已針對上述挑戰做好準備，務求在其他優秀同業中脫穎而出。

除本土市場外，中國煙草總公司(CNTC)在政府全力支持下進軍國際，與菲利普莫里斯(Philip Morris)及英美煙草公司(British American Tobacco)爭奪全球市場。根據海關數據，二零一八年中國出口香煙價值達到722,000,000美元，遠超十年前的248,000,000美元。為保持中國香煙市場的市場增長及把握政府計劃拓展海外市場所造就的機遇，本集團著手從策略角度加快新產品上市週期，而非單純專注於主要傳統品牌。

作為多元拓展其他非香煙包裝業務的長遠策略其中一環，本集團已擴大複合紙及相關材料生產能力，不僅留作自用，亦供應予其他香煙包裝印刷商及分包商。預期該策略可為現有業務帶來刺激作用，同時製造機會交叉銷售至其他非香煙包裝紙品市場。物聯網工廠近期雖失去一名主要射頻識別客戶，惟已著手另組新產品線為服裝市場生產近距離無線通訊價格標籤，以及將地理覆蓋範圍擴展至亞洲以外的歐洲及南美洲。

Chairman's statement

主席報告書

APPRECIATION

The Board would like to take this opportunity to express its gratitude to its customers and shareholders for their continuing support as well as its staff for their dedication and hard work.

Cai Xiao Ming, David

Chairman

28 August 2019

致謝

董事會謹藉此機會對客戶及股東的長期支持以及員工的熱誠及辛勤工作不懈表示謝意。

蔡曉明

主席

二零一九年八月二十八日

Management discussion and analysis

管理層討論及分析

REVENUE

During the Period under Review, the revenue of the Group was approximately HK\$616.9 million (six months ended 30 June 2018: HK\$546.7 million), which represents an increase of approximately HK\$70.2 million or 12.8% as compared to the corresponding period in 2018. The revenue of our three business segments, namely printing and manufacturing of cigarette package and related materials, manufacturing of laminated papers and sales of RFID products were approximately HK\$555.4 million (six months ended 30 June 2018: HK\$482.5 million), HK\$20.1 million (six months ended 30 June 2018: HK\$22.5 million) and HK\$41.4 million (six months ended 30 June 2018: HK\$41.7 million) respectively.

The increase in revenue was mainly attributable to the recovery in business volume of manufacturing and printing of cigarette packages and related materials brought by the high tier products of newly awarded tenders during the Period under Review. However, the depreciation of RMB against HKD of roughly 6% comparing with the corresponding period of 2018 has partially reduced such upside effect.

GROSS PROFIT

During the Period under Review, gross profit of the Group increased by 20.8% to approximately HK\$123.9 million (six months ended 30 June 2018: HK\$102.6 million) as compared to the corresponding period in 2018. The gross profit margin increased to 20.1% during the first half of 2019 (six months ended 30 June 2018: 18.8%).

The average selling price was by large stable while more than proportionate decrease in the unit material cost and savings brought by increased automation helped improve the product profitability compared with corresponding period of 2018.

OTHER INCOME

Other income mainly represents income from sales of scrap materials and government grant. Such item increased by approximately HK\$2.3 million to HK\$19.4 million as compared with the corresponding period in 2018 which was mainly attributable to increase in government grant income.

收益

於回顧期間，本集團的收益約為616,900,000港元(截至二零一八年六月三十日止六個月：546,700,000港元)，較二零一八年同期增加約70,200,000港元或12.8%。三大業務分部(即印刷及製造香煙包裝及相關材料、製造複合紙及銷售射頻識別產品)的收益分別約為555,400,000港元(截至二零一八年六月三十日止六個月：482,500,000港元)、20,100,000港元(截至二零一八年六月三十日止六個月：22,500,000港元)及41,400,000港元(截至二零一八年六月三十日止六個月：41,700,000港元)。

收益增加主要由於回顧期間與新獲批招標有關的高檔產品帶動製造及印刷香煙包裝及相關材料業務量回升。然而，人民幣兌港元匯率與二零一八年同期相比貶值約6%，某程度拖低有關升幅。

毛利

於回顧期間，本集團的毛利約為123,900,000港元(截至二零一八年六月三十日止六個月：102,600,000港元)，較二零一八年同期增加20.8%。毛利率於二零一九年上半年上升至20.1%(截至二零一八年六月三十日止六個月：18.8%)。

平均售價大致穩定，惟單位材料成本因自動化力度加大而按超出比例的幅度減少，帶動產品盈利能力較二零一八年同期改善。

其他收入

其他收入主要指廢料銷售收入及政府補助，較二零一八年同期增加約2,300,000港元至19,400,000港元，主要由於政府補助收入增加。

Management discussion and analysis

管理層討論及分析

SELLING AND DISTRIBUTION EXPENSES

The selling and distribution expenses increased by approximately HK\$5.4 million to HK\$23.7 million or 29.5% mainly because there was an increase in marketing activities into developing new product line during the Period under Review.

ADMINISTRATIVE EXPENSES AND OTHER EXPENSES

During the Period under Review, administrative expenses and other expenses decreased by approximately HK\$11.6 million or 22.4% to HK\$40.0 million mainly because of (1) decrease in the administration staff cost of about HK\$6.5 million brought by cost cutting measures; and (2) absence of agency fee and professional fee of about HK\$5.0 million related to the merger and acquisitions and lawsuit in the corresponding period of 2018.

FINANCE COSTS

Finance costs decreased by approximately HK\$1.5 million or 13.5% as compared with the corresponding period in 2018. Such decrease was mainly due to repayment of bank loan, thereby reducing the average bank borrowings albeit the interest rate hike during the Period under Review.

SHARE OF PROFITS OF ASSOCIATES

Share of profits of associates slightly decreased by approximately HK\$1.1 million to HK\$20.8 million during the Period under Review. Revenue and net profit of the major associates, Changde Goldroc Rotogravure Printing Co., Limited ("Changde Goldroc") were approximately HK\$497.0 million (six months ended 30 June 2018: HK\$546.5 million) and HK\$99.5 million during the Period under Review (six months ended 30 June 2018: HK\$102.9 million) respectively.

Albeit marked improvement in product profitability during the Period under Review, there was a slight decrease in net profit of Changde Goldroc mainly due to depreciation of RMB against the denomination currency of HKD and slight decrease in business volume of local market.

銷售及分銷開支

銷售及分銷開支增加約5,400,000港元或29.5%至23,700,000港元，主要由於回顧期間開發新產品線導致營銷活動增加。

行政開支及其他開支

於回顧期間，行政開支及其他開支減少約11,600,000港元或22.4%至40,000,000港元，主要由於(1)削減成本措施令行政員工成本減少約6,500,000港元；及(2)未有錄得二零一八年同期因併購及訴訟而產生的代理費及專業費用約5,000,000港元。

融資成本

融資成本較二零一八年同期減少約1,500,000港元或13.5%，主要由於回顧期間償還銀行貸款令平均銀行借貸減少儘管期間加息影響。

分佔聯營公司溢利

於回顧期間，分佔聯營公司溢利微跌約1,100,000港元至20,800,000港元。於回顧期間，主要聯營公司常德金鵬印務有限公司（「常德金鵬」）的收益及純利分別約為497,000,000港元（截至二零一八年六月三十日止六個月：546,500,000港元）及99,500,000港元（截至二零一八年六月三十日止六個月：102,900,000港元）。

儘管產品盈利能力於回顧期間顯著改善，常德金鵬所得純利仍稍有收縮，主要由於人民幣兌港元（計值貨幣）貶值及本土市場業務量微跌。

Management discussion and analysis

管理層討論及分析

TAXATION

The effective tax rate of the Group increased from approximately 10.1% to 17.4% during the Period under Review. Such increase was mainly due to significant decrease in non-assessable profit related to the disposal of subsidiaries in the corresponding period of 2018.

PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

Profit attributable to the owners of the Company was approximately HK\$76.1 million, a decrease of approximately HK\$56.6 million or 42.7% as compared with the corresponding period in 2018. The decrease was mainly due to absence of one-off gain on disposal of subsidiaries in the corresponding period of 2018 partially set off by the increase in revenue and gross profit during the Period under Review.

SEGMENT INFORMATION

During the Period under Review, the revenue from the printing and manufacturing of cigarette packages and related materials, manufacturing of laminated papers and sales of RFID products were approximately HK\$555.4 million (six months ended 30 June 2018: HK\$482.5 million) and approximately HK\$20.1 million (six months ended 30 June 2018: HK\$22.5 million) and approximately HK\$41.4 million (six months ended 30 June 2018: HK\$41.7 million) respectively. Earnings from the printing and manufacturing of cigarette packages and related materials accounted for approximately 92.5% of the total segment earnings before unallocated items. The earnings before unallocated items from printing and manufacturing of cigarette packages printing and related materials increased by approximately 28.7%, and earnings before unallocated items from manufacturing of laminated papers decreased by 18.4%. During the Period under Review, earnings before unallocated items from sales of RFID products decreased by 54.8% to HK\$4.8 million.

稅項

於回顧期間，本集團的實際稅率由約10.1%上升至17.4%，主要由於二零一八年同期出售附屬公司所涉及毋須課稅溢利顯著減少。

本公司擁有人應佔溢利

本公司擁有人應佔溢利約為76,100,000港元，較二零一八年同期減少約56,600,000港元或42.7%，主要由於並無錄得二零一八年同期出售附屬公司的一次性收益，惟因回顧期間收益及毛利增加而部分抵銷。

分部資料

於回顧期間，來自印刷及製造香煙包裝及相關材料、製造複合紙以及銷售射頻識別產品的收益分別為約555,400,000港元（截至二零一八年六月三十日止六個月：482,500,000港元）、約20,100,000港元（截至二零一八年六月三十日止六個月：22,500,000港元）及約41,400,000港元（截至二零一八年六月三十日止六個月：41,700,000港元）。來自印刷及製造香煙包裝及相關材料的盈利佔剔除未分配項目前分部盈利總額約92.5%。印刷及製造香煙包裝及相關材料的剔除未分配項目前盈利增加約28.7%，而製造複合紙的剔除未分配項目前盈利則減少18.4%。於回顧期間，銷售射頻識別產品的剔除未分配項目前盈利減少54.8%至4,800,000港元。

Management discussion and analysis

管理層討論及分析

FINANCIAL POSITION AND LIQUIDITY

The Group generally finances its operations with internally generated resources and banking facilities. As at 30 June 2019, the Group had net current assets of approximately HK\$422.1 million (as at 31 December 2018: HK\$287.1 million) while the Group's cash and cash equivalents amounted to approximately HK\$305.8 million (as at 31 December 2018: HK\$550.6 million).

As at 30 June 2019, short-term interest-bearing bank borrowings (repayable within one year) of the Group amounted to approximately HK\$510.3 million (as at 31 December 2018: HK\$601.3 million). Carrying amounts of bank deposits pledged for securing these credit facilities amounted to approximately HK\$12.1 million (as at 31 December 2018: HK\$11.3 million). As at 30 June 2019, the Group's gearing ratio, represented by the amount of interest-bearing borrowings divided by shareholders equity, was approximately 17.8% (as at 31 December 2018: 22.2%).

In addition, the Group's lease liabilities of approximately HK\$6,021,000 are recognised with related right of-use assets of approximately HK\$6,002,000 as at 30 June 2019.

CAPITAL COMMITMENTS

As at 30 June 2019, the Group had capital commitments in respect of the acquisition of property, plant, equipment contracted for but not provided in the financial statements amounting to approximately HK\$52.8 million (as at 31 December 2018: HK\$67.1 million), mainly related to upgrade of the existing machineries.

MATERIAL ACQUISITION AND DISPOSAL

There was no material acquisition or disposal of subsidiaries or associated companies by the Group during the Period under Review.

財務狀況及流動資金

本集團一般以內部產生的資源及銀行融資撥付營運資金。於二零一九年六月三十日，本集團的流動資產淨值約為422,100,000港元（於二零一八年十二月三十一日：287,100,000港元），而本集團的現金及現金等值項目約為305,800,000港元（於二零一八年十二月三十一日：550,600,000港元）。

於二零一九年六月三十日，本集團的附息短期銀行借貸（須於一年內償還）約為510,300,000港元（於二零一八年十二月三十一日：601,300,000港元）。為取得相關信貸融資而質押的銀行存款賬面值約為12,100,000港元（於二零一八年十二月三十一日：11,300,000港元）。於二零一九年六月三十日，本集團按附息借貸除股東權益所得金額計算的資產負債比率約為17.8%（於二零一八年十二月三十一日：22.2%）。

此外，於二零一九年六月三十日，本集團確認租賃負債約6,021,000港元及相關使用權資產約6,002,000港元。

資本承擔

於二零一九年六月三十日，本集團就收購物業、廠房及設備已訂約惟未於財務報表撥備的資本承擔約為52,800,000港元（於二零一八年十二月三十一日：67,100,000港元），主要與現有機器升級有關。

重大收購事項及出售事項

於回顧期間，本集團並無進行有關附屬公司或聯營公司的重大收購事項或出售事項。

Management discussion and analysis

管理層討論及分析

TREASURY POLICIES

The Group adopted a prudent strategy towards the treasury and funding policies, and attached high importance to the risk control and transactions directly related to the Group's principal business. Funds, primarily denominated in HKD and RMB, are normally placed with banks in short or medium term deposits for working capital of the Group.

CAPITAL STRUCTURE

During the Period under Review, the Group's operation was mainly financed by funds generated from its operation and bank borrowings. As at 30 June 2019, bank borrowings were mainly denominated in HKD and RMB, while the cash and cash equivalents held by the Group were mainly denominated in HKD and RMB. The Group's turnover is mainly denominated in RMB, while its costs and expenses are mainly denominated in HKD and RMB. In view of the prevailing macro-economic environment, the Group may be exposed to the foreign exchange rate risk. The Group will closely monitor the volatility of foreign exchange rate and apply the appropriate hedging strategy as and when appropriate.

There was no equity fund raising by the Company during the Period under Review, nor were there any proceeds brought forward from any issue of equity securities made in previous financial years.

CHARGES ON THE GROUP'S ASSETS

As at 30 June 2019, assets with carrying amount of approximately HK\$12.1 million (31 December 2018: HK\$11.3 million) were pledged to banks in respect of banking facilities granted to the Group.

庫務政策

本集團就庫務及撥資政策採取審慎策略，且非常重視直接牽涉本集團主要業務的風險監控及交易。資本主要以港元及人民幣計值，通常以短期或中期存款形式存入銀行作為本集團營運資金。

資本架構

於回顧期間，本集團的營運資金主要來自營運所產生的資金及銀行借貸。於二零一九年六月三十日，銀行借貸主要以港元及人民幣計值，而本集團持有的現金及現金等值項目則主要以港元及人民幣計值。本集團的營業額主要以人民幣計值，而其成本及開支則主要以港元及人民幣計值。考慮到當前宏觀經濟環境，本集團可能面對外匯風險。本集團將密切監察匯率波幅，適時採用適當對沖策略。

於回顧期間，本公司並無進行股本集資，亦無因過往財政年度發行任何股本證券而產生任何所得款項。

本集團的資產抵押

於二零一九年六月三十日，本集團就獲授銀行融資向銀行質押賬面值約12,100,000港元(二零一八年十二月三十一日：11,300,000港元)的資產。

Management discussion and analysis

管理層討論及分析

SIGNIFICANT INVESTMENT AND FUTURE PLAN

The Group beneficially owns certain equity interests of Changde Goldroc and Tianjin Rong Lian Hui Zhi Intelligence Packaging Technology Co., Ltd which are classified as investment in associates.

Looking ahead, as mentioned in the paragraph headed “PROSPECTS” in the Chairman’s statement above, the Group endeavours to generate high value adding service to our stakeholders, be geared with growth driver by organic growth and explore opportunities for strategic and synergetic partners including but not limited to merger and acquisition(s), and formation of joint venture(s) or other corporate action(s) in the future should they be in the interest of the Company and its shareholders as a whole. It does not preclude the possibility of fund raising when it is needed or opportunity arises.

HUMAN RESOURCES

As at 30 June 2019, the Group had 7 and 1,486 full-time staff based in Hong Kong and the PRC respectively. The Group’s remuneration packages are generally structured with reference to market terms and individual merits. The Group operates a defined contribution retirement benefits scheme under the Mandatory Provident Fund Schemes Ordinance for all of its employees in Hong Kong. Contributions are made based on a percentage of the employees’ base salaries. The Group also made contributions to provident funds, elderly insurance, medical insurance, unemployment insurance and work-related injury insurance in accordance with appropriate laws and regulations in the PRC. The Group has adopted a share option scheme as a reward to eligible high-caliber employees and to attract similar high quality personnel that are valuable to the Group.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the Period under Review.

重大投資及未來計劃

本集團實益擁有常德金鵬及天津榮聯匯智智能科技有限公司的若干股權，並將其分類為聯營公司的投資。

展望未來，誠如上文主席報告書「前景」一段所述，本集團竭力為持份者創造高增值服務，透過內部增長締造增長動力，並尋求機遇以結交策略及協作夥伴，在符合本公司及其股東整體利益的前提下，包括但不限於日後進行併購及組成合營企業或其他企業活動，亦不排除在有需要或出現機會時進行集資活動的可能性。

人力資源

於二零一九年六月三十日，本集團分別在香港及中國聘用7名及1,486名全職員工。本集團的薪酬待遇一般參考市況及個人資歷釐定。本集團根據強制性公積金計劃條例為全體香港僱員營運定額供款退休福利計劃。供款乃按僱員基本薪金的某個百分比計算。本集團亦根據中國適用法律及法規向公積金、養老保險、醫療保險、失業保險及工傷保險供款。本集團已採納購股權計劃，目的為獎賞合資格的優秀僱員及吸引對本集團具價值的類似高質素人員。

中期股息

董事會不建議就回顧期間派付中期股息。

Other information

其他資料

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITION IN SHARES, UNDERLYING SHARES OR DEBENTURES OF THE COMPANY OR ITS ASSOCIATED CORPORATIONS

As at 30 June 2019, the following Directors or the chief executives of the Company had or were deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong ("SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provision of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies (the "Model Code") contained in the Listing Rules:

董事及主要行政人員於本公司或其相聯法團的股份、相關股份或債券的權益及淡倉

於二零一九年六月三十日，本公司以下董事或主要行政人員於本公司及其相聯法團（定義見香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部）的股份、相關股份或債券中，擁有或被視為擁有(i)根據證券及期貨條例第XV部第7及8分部須知會本公司及聯交所的權益或淡倉（包括根據證券及期貨條例該等條文彼等被當作或視為擁有的權益或淡倉）；或(ii)根據證券及期貨條例第352條須記入該條所述登記冊的權益或淡倉；或(iii)須根據上市規則所載上市公司董事進行證券交易的標準守則（「標準守則」）知會本公司及聯交所的權益或淡倉：

The Company

本公司

Name of Director 董事姓名	Capacity 身份	Number of shares/ underlying shares held 所持股份／ 相關股份數目	Position 持倉	Approximate percentage of issued share capital 佔已發行股本 概約百分比
Mr. Cai Xiao Ming, David 蔡曉明先生	Interest of controlled corporation (note 1) 受控制法團權益（附註1）	851,456,892	Long 好倉	54.3%
Mr. Qin Song 欽松先生	Beneficial owner 實益擁有人	15,321,062	Long 好倉	1.0%
Mr. Chen Huapei 陳華培先生	Beneficial owner 實益擁有人	1,022,000	Long 好倉	0.07%
Ms. Li Li 李莉女士	Interest of controlled corporation 受控制法團權益	250,551,964	Long 好倉	16.0%

Note:

附註：

- 274,325,278 shares are held by Profitcharm Limited and 577,131,614 shares are held by Sinorise International Limited, the entire issued share capitals of them are wholly and beneficially owned by Mr. Cai Xiao Ming, David.

- 創益有限公司持有274,325,278股股份及振華國際有限公司持有577,131,614股股份，兩者全部已發行股本均由蔡曉明先生全資實益擁有。

Other information

其他資料

SUBSTANTIAL SHAREHOLDERS' INTERESTS IN AND/OR SHORT POSITIONS

So far as is known to the Directors and chief executives of the Company, as at 30 June 2019, the following persons (not being a Director or chief executive of the Company) had, or were deemed to have, interest or a short position in the shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO:

主要股東的權益及／或淡倉

據本公司董事及主要行政人員所知，於二零一九年六月三十日，以下人士（並非本公司董事或主要行政人員）於本公司股份或相關股份中擁有或被視為擁有根據證券及期貨條例第XV部第2及3分部須向本公司披露的權益或淡倉：

Name of shareholder	Notes	Capacity	Number of shares/ underlying shares held	Position	Approximate percentage of issued share capital
股東名稱	附註	身份	所持股份／ 相關股份數目	持倉	佔已發行股本 概約百分比
Profitcharm Limited 創益有限公司	1	Beneficial owner 實益擁有人	274,325,278	Long 好倉	17.5%
Sinorise International Limited 振華國際有限公司	2	Beneficial owner 實益擁有人	577,131,614	Long 好倉	36.8%
Masterwork Group Co., Ltd. 天津長榮科技集團股份有限公司		Interest of controlled corporation 受控制法團權益	250,551,964	Long 好倉	16.0%
Masterwork Machinery (H.K.) Limited 長榮股份(香港)有限公司		Beneficial owner 實益擁有人	250,551,964	Long 好倉	16.0%
Partners Group Holding AG Partners Group Holding AG		Beneficial owner 實益擁有人	103,555,231	Long 好倉	7.0%
Tianjin Dehou Investment Management Partnership (Limited Partnership) Tianjin Dehou Investment Management Partnership (Limited Partnership)		Interest of controlled corporation 受控制法團權益	103,555,231	Long 好倉	7.0%

Notes:

- Profitcharm Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Cai Xiao Ming, David.
- Sinorise International Limited is a company incorporated in the British Virgin Islands with limited liability which is wholly and beneficially owned by Mr. Cai Xiao Ming, David.

附註：

- 創益有限公司為於英屬處女群島註冊成立的有限公司，由蔡曉明先生全資實益擁有。
- 振華國際有限公司為於英屬處女群島註冊成立的有限公司，由蔡曉明先生全資實益擁有。

Other information

其他資料

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries has redeemed, purchased or sold any of the Company's shares during the Period under Review.

CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Code (the "Code") contained in Appendix 14 of the Listing Rules. For the Period under Review, the Company has complied in general with the Code, except code provisions A.6.7 and E.1.2 of the Code as Mr. Cai Xiao Ming, David (the Chairman of the Board), Mr. Chen Xiao Liang (the executive Director), Ms. Li Li (the non-executive Director) and Mr. Lui Tin Nang (the independent non-executive Director) were unable to attend the annual general meeting of the Company held on 5 June 2019 due to their other business engagement.

COMPLIANCE WITH THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix 10 of the Listing Rules as the standard for securities transactions by Directors. The Company has made specific enquiries of all the Directors and all the Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors' securities transactions for the Period under Review.

SHARE OPTION SCHEME

On 4 March 2009, the shareholders of the Company had approved and adopted a share option scheme (the "Share Option Scheme") which was expired on 3 March 2019.

No option under the Share Option Scheme has been granted by the Board and there was no outstanding option.

購買、出售或贖回股份

本公司或其任何附屬公司於回顧期間概無贖回、購買或出售本公司任何股份。

企業管治

本公司已採納上市規則附錄十四所載企業管治守則(「守則」)。於回顧期間，本公司已大致遵守守則，惟守則第A.6.7及E.1.2條守則條文除外，原因為蔡曉明先生(董事會主席)、陳校良先生(執行董事)、李莉女士(非執行董事)及呂天能先生(獨立非執行董事)因其他業務安排而未能出席本公司於二零一九年六月五日舉行的股東週年大會。

遵守董事進行證券交易的標準守則

本公司已採納上市規則附錄十所載的標準守則，作為董事進行證券交易的準則。本公司已向全體董事作出特定查詢，並獲全體董事確認彼等於回顧期間一直遵守標準守則及其有關董事進行證券交易的操守守則所規定標準。

購股權計劃

於二零零九年三月四日，本公司股東批准並採納購股權計劃(「購股權計劃」，已於二零一九年三月三日屆滿)。

董事會概無根據購股權計劃授出任何購股權，亦無任何尚未行使購股權。

Other information

其他資料

DISCLOSURE UNDER RULE 13.21 OF THE LISTING RULES

During 2015, the Company has been offered a four-year term loan facility of HK\$340,000,000 from a local bank. During 2017, the Company has been offered additional term loan facilities from an existing local bank of HK\$150 million and HK\$83 million repayable within 4 and 6 years respectively, and a revolving loan facilities of HK\$170 million, all of which the Company has undertaken, among other matters, that Mr. Cai Xiao Ming, David shall maintain at least 50% beneficial shareholding interest in the Company at all times during the life of the above banking facilities (the “Undertaking”). The breach of such Undertaking may result in the loan immediately due and repayable. Such Undertaking also exists in other revolving banking facilities made available to the Group from other banks in the total amount of HK\$170 million.

AUDIT COMMITTEE

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control, risk management and financial reporting matters including a review of the unaudited condensed consolidated financial statements for the Period under Review with the Directors. In addition, the interim financial information of the Group for the Period under Review has also been reviewed by the independent auditor of the Company, Deloitte Touche Tohmatsu. The audit committee comprises the three independent non-executive Directors and the non-executive Director.

根據上市規則第 13.21 條披露

於二零一五年，本公司獲一間本地銀行提供為數340,000,000港元的四年期貸款融資。於二零一七年，本公司獲一間本地銀行提供為數150,000,000港元及83,000,000港元的額外有期貸款融資（分別須於4年及6年內償還）以及為數170,000,000港元的循環貸款融資，本公司已悉數承諾（其中包括）蔡曉明先生將於上述銀行融資年期內任何時間於本公司維持最少50%的實益股權（「承諾」）。違反承諾可能導致有關貸款即時到期及須予償還。承諾亦適用於其他銀行向本集團提供為數合共170,000,000港元的其他循環銀行融資。

審核委員會

審核委員會已聯同管理層審閱本集團採納的會計原則及常規，並與董事討論內部監控、風險管理及財務報告事宜，包括審閱回顧期間的未經審核簡明綜合財務報表。此外，本集團於回顧期間的中期財務資料亦經本公司獨立核數師德勤•關黃陳方會計師行審閱。審核委員會由三名獨立非執行董事及一名非執行董事組成。

Report on review of condensed consolidated financial statements

簡明綜合財務報表審閱報告



TO THE BOARD OF DIRECTORS OF BRILLIANT CIRCLE HOLDINGS INTERNATIONAL LIMITED

致貴聯控股國際有限公司董事會

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Brilliant Circle Holdings International Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) set out on pages 20 to 72, which comprise the condensed consolidated statement of financial position as of 30 June 2019 and the related condensed consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the six-month period then ended, and certain explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

緒言

吾等已審閱第20至72頁所載貴聯控股國際有限公司（「貴公司」）及其附屬公司（統稱「貴集團」）之簡明綜合財務報表，包括於二零一九年六月三十日之簡明綜合財務狀況報表與截至該日止六個月期間之相關簡明綜合損益及其他全面收益報表、權益變動表及現金流量表，以及若干解釋附註。香港聯合交易所有限公司證券上市規則規定，中期財務資料之報告須根據其相關條文及香港會計師公會（「香港會計師公會」）頒布的香港會計準則第34號「中期財務報告」（「香港會計準則第34號」）編製。貴公司董事須負責根據香港會計準則第34號編製及呈報該等簡明綜合財務報表。吾等之責任是根據審閱工作的結果對該等簡明綜合財務報表作出結論，並依據吾等協定之聘任條款，僅向閣下（作為一個個體）呈報吾等之結論，除此之外別無其他目的。吾等並不就本報告之內容對任何其他人士承擔任何義務或接受任何責任。

Report on review of condensed consolidated financial statements

簡明綜合財務報表審閱報告

SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of these condensed consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

28 August 2019

審閱範圍

吾等依據香港會計師公會頒布之香港審閱事項準則第2410號「由個體的獨立核數師執行的中期財務資料審閱」進行審閱。審閱該等簡明綜合財務報表主要包括向負責財務和會計事務之人員作出查詢，及進行分析性和其他審閱程序。審閱的範圍遠較根據香港核數準則進行審核範圍為小，故吾等不能保證吾等知悉在審核中可能被發現之所有重大事項。因此，吾等並不發表審核意見。

結論

按照吾等之審閱結果，吾等並無察覺任何事項令吾等相信簡明綜合財務報表在各重大方面未有根據香港會計準則第34號而編製。

德勤•關黃陳方會計師行

執業會計師

香港

二零一九年八月二十八日

Condensed consolidated statement of profit or loss and other comprehensive income

簡明綜合損益及其他全面收益報表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

			Six months ended 30 June 截至六月三十日止六個月	
			2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
		NOTES 附註		
Revenue	收益	4	616,920	546,706
Cost of sales	銷售成本		(492,978)	(444,071)
Gross profit	毛利		123,942	102,635
Other income	其他收入		19,403	17,140
Other gains and losses	其他收益及虧損		2,718	2,526
Impairment losses on financial assets and contract assets, net of reversal	金融資產及合約資產減值虧損(扣除撥回)	16	(784)	(1,348)
Selling and distribution expenses	銷售及分銷開支		(23,692)	(18,315)
Administrative expenses	行政開支		(38,561)	(45,142)
Other expenses	其他開支		(1,395)	(6,373)
Finance costs	融資成本		(9,567)	(11,137)
Share of profits of associates	分佔聯營公司溢利		20,819	21,938
Share of (loss) profit of a joint venture	分佔一間合營企業(虧損)溢利		(146)	191
Gain on disposal of subsidiaries	出售附屬公司的收益		—	90,101
Profit before taxation	除稅前溢利		92,737	152,216
Taxation	稅項	6	(16,108)	(15,321)
Profit for the period	期內溢利	7	76,629	136,895
Other comprehensive expense:	其他全面開支：			
Item that will not be reclassified subsequently to profit or loss:	其後不會重新分類至損益的項目：			
Exchange differences arising on translation to presentation currency	因換算為呈報貨幣而產生匯兌差額		(8,711)	(39,727)
Total comprehensive income for the period	期內全面收益總額		67,918	97,168

Condensed consolidated statement of profit or loss and other comprehensive income

簡明綜合損益及其他全面收益報表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
		NOTES 附註	
Profit for the period attributable to: 以下人士應佔期內溢利：			
Owners of the Company 本公司擁有人		76,078	132,703
Non-controlling interests 非控股權益		551	4,192
		76,629	136,895
Total comprehensive income attributable to: 以下人士應佔全面收益總額：			
Owners of the Company 本公司擁有人		67,516	93,467
Non-controlling interests 非控股權益		402	3,701
		67,918	97,168
Earnings per share		HK\$ 港元	HK\$ 港元
Basic and diluted 基本及攤薄	9	0.05	0.08

Condensed consolidated statement of financial position

簡明綜合財務狀況報表

As at 30 June 2019 於二零一九年六月三十日

			30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
		NOTES 附註		
Non-current Assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	802,041	790,586
Right-of-use assets	使用權資產		107,599	–
Prepaid lease payments	預付租賃款項		–	100,434
Investment properties	投資物業	10	16,888	25,703
Goodwill	商譽	11	1,049,997	1,050,965
Intangible assets	無形資產	12	137,069	163,765
Interests in associates	於聯營公司的權益	13	408,581	460,604
Interest in a joint venture	於一間合營企業的權益		8,597	8,755
Amount due from a related party	應收一名關連方款項		3,603	9,422
Deferred tax assets	遞延稅項資產		276	200
Rental and other deposits paid	已付租賃及其他訂金		5,991	18,524
			2,540,642	2,628,958
Current Assets	流動資產			
Inventories	存貨		176,775	163,766
Prepaid lease payments	預付租賃款項		–	2,425
Trade receivables	貿易應收款項	14	532,286	544,637
Contract assets	合約資產	15	167,178	165,385
Other receivables, prepayments and refundable deposits	其他應收款項、預付款項及可退還訂金		71,195	59,904
Tax recoverable	可收回稅項		4,079	3,129
Pledged bank deposits	已抵押銀行存款		12,055	11,250
Bank balances and cash	銀行結餘及現金		325,640	355,508
			1,289,208	1,306,004

Condensed consolidated statement of financial position

簡明綜合財務狀況報表

As at 30 June 2019 於二零一九年六月三十日

			30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
	NOTES 附註			
Current Liabilities	流動負債			
Trade payables	貿易應付款項	17	202,785	229,676
Other payables and accruals	其他應付款項及應計費用		101,659	116,545
Lease liabilities	租賃負債		3,975	–
Purchase consideration payable for acquisition	就收購事項所須支付購買代價		–	12,776
Amounts due to non-controlling interests of subsidiaries	應付附屬公司非控股權益款項		8,285	8,154
Bank borrowings	銀行借貸	18	510,270	601,334
Bank overdrafts	銀行透支		19,807	19,897
Income tax payable	應付所得稅		20,319	30,489
			867,100	1,018,871
Net Current Assets	流動資產淨值		422,108	287,133
Total Assets less Current Liabilities	總資產減流動負債		2,962,750	2,916,091
Non-current Liabilities	非流動負債			
Government grants	政府補助	19	28,860	30,175
Bank borrowings	銀行借貸	18	–	18,750
Lease liabilities	租賃負債		2,046	–
Deferred tax liabilities	遞延稅項負債		65,325	68,565
			96,231	117,490
Net assets	資產淨值		2,866,519	2,798,601
Capital and Reserves	資本及儲備			
Share capital	股本	20	7,839	7,839
Share premium and reserves	股份溢價及儲備		2,823,340	2,755,824
Equity attributable to owners of the Company	本公司擁有人應佔權益		2,831,179	2,763,663
Non-controlling interests	非控股權益		35,340	34,938
Total Equity	權益總額		2,866,519	2,798,601

Condensed consolidated statement of changes in equity

簡明綜合權益變動表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Attributable to owners of the Company 本公司擁有人應佔							Non-controlling interests 非控股權益	Total equity 權益總額
		Share capital 股本 HK\$'000 千港元	Share premium 股份溢價 HK\$'000 千港元	Statutory reserves 法定儲備 HK\$'000 千港元 (Note) (附註)	Other reserves 其他儲備 HK\$'000 千港元	Exchange reserve 匯兌儲備 HK\$'000 千港元	Retained profits 保留溢利 HK\$'000 千港元	Total 總計 HK\$'000 千港元		
At 1 January 2018 (audited)	於二零一八年一月一日 (經審核)	7,839	4,936,913	189,225	(2,905,743)	50,381	645,080	2,923,695	62,878	2,986,573
Profit for the period	期內溢利	-	-	-	-	-	132,703	132,703	4,192	136,895
Other comprehensive expense for the period	期內其他全面開支	-	-	-	-	(39,236)	-	(39,236)	(491)	(39,727)
Total comprehensive (expense) income for the period	期內全面(開支)收益總額	-	-	-	-	(39,236)	132,703	93,467	3,701	97,168
Dividends recognised as distribution (note 8)	確認為分派的股息 (附註8)	-	-	-	-	-	(199,905)	(199,905)	-	(199,905)
Dividends declared to non-controlling interests	向非控股權益宣派股息	-	-	-	-	-	-	-	(20,830)	(20,830)
Disposal of subsidiaries	出售附屬公司	-	-	-	-	1,580	(1,580)	-	-	-
Transfer	轉撥	-	-	215	-	-	(215)	-	-	-
At 30 June 2018 (unaudited)	於二零一八年六月三十日 (未經審核)	7,839	4,936,913	189,440	(2,905,743)	12,725	576,083	2,817,257	45,749	2,863,006
At 1 January 2019 (audited)	於二零一九年一月一日 (經審核)	7,839	4,936,913	189,225	(2,905,278)	(79,594)	614,558	2,763,663	34,938	2,798,601
Profit for the period	期內溢利	-	-	-	-	-	76,078	76,078	551	76,629
Other comprehensive expense for the period	期內其他全面開支	-	-	-	-	(8,562)	-	(8,562)	(149)	(8,711)
Total comprehensive (expense) income for the period	期內全面(開支)收益總額	-	-	-	-	(8,562)	76,078	67,516	402	67,918
At 30 June 2019 (unaudited)	於二零一九年六月三十日 (未經審核)	7,839	4,936,913	189,225	(2,905,278)	(88,156)	690,636	2,831,179	35,340	2,866,519

Condensed consolidated statement of changes in equity

簡明綜合權益變動表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

Note: As stipulated by the relevant laws and regulations for enterprises in the People's Republic of China (the "PRC"), the Company's PRC subsidiaries are required to maintain statutory reserves. Appropriation to such reserve is made out of profit after taxation as reflected in the statutory financial statements of the PRC subsidiaries while the amounts and allocation basis are decided by its board of directors annually. The appropriation to statutory surplus reserve may cease if the balance of the statutory surplus reserve has reached 50% of the PRC subsidiaries' registered capital. The statutory reserves can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of capitalisation issue.

附註：根據針對中華人民共和國（「中國」）企業的有關法律及法規所規定，本公司之中國附屬公司須設立法定儲備。分配至該儲備之撥款乃從中國附屬公司法定財務報表之除稅後溢利中撥付，而金額及分配基準則由董事會每年決定。倘法定儲備結餘已達到中國附屬公司註冊資本的50%，則可不再轉撥至法定盈餘儲備。法定儲備可用作彌補上一年度之虧損（如有），亦可透過資本化發行轉換為資本。

Condensed consolidated statement of cash flows

簡明綜合現金流量表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
NET CASH FROM OPERATING ACTIVITIES	經營活動產生現金淨額	50,887	59,392
INVESTING ACTIVITIES	投資活動		
Interests received	已收利息	476	2,075
Deposits paid for and acquisition of property, plant and equipment	就收購物業、廠房及設備支付的訂金	(54,511)	(71,926)
Dividend received from an associate, net of withholding tax	自一間聯營公司收取股息（扣除預扣稅）	69,566	73,840
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	539	7,239
Placement of pledged bank deposits	存置已抵押銀行存款	(19,127)	(47,278)
Withdrawal of pledged bank deposits	提取已抵押銀行存款	18,289	38,191
Repayments from a related party	一名關連方還款	5,906	—
Proceeds on disposal of partial equity interest in an associate	部分出售於一間聯營公司的股權所得款項	22,160	—
Payments for contingent consideration	或然代價付款	436	—
Payments for rental deposits	租賃訂金付款	(690)	—
Proceeds from disposal of subsidiaries	出售附屬公司所得款項	—	295,000
Purchase of structured deposits	購買結構性存款	(418,725)	—
Redemption of structured deposits	贖回結構性存款	420,102	7,193
NET CASH FROM INVESTING ACTIVITIES	投資活動產生現金淨額	43,549	304,334

Condensed consolidated statement of cash flows

簡明綜合現金流量表

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
FINANCING ACTIVITIES	融資活動		
New bank borrowings raised	新增銀行借貸	213,250	325,947
Repayment of bank borrowings	償還銀行借貸	(323,333)	(406,988)
Repayments of leases liabilities	償還租賃負債	(2,190)	—
Payments for purchase consideration	購買代價付款	(11,415)	—
Repayment to non-controlling interests of subsidiaries	償還予附屬公司的非控股權益	—	(20,830)
NET CASH USED IN FINANCING ACTIVITIES	融資活動使用現金淨額	(123,688)	(101,871)
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	現金及現金等值項目 (減少) 增加淨額	(29,252)	261,855
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	於期初的現金及現金等值項目	335,611	292,511
EFFECT OF FOREIGN EXCHANGE RATE CHANGES	外幣匯率變動的影響	(526)	(3,789)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD, represented by	於期末的現金及現金等值項目，代表	305,833	550,577
Bank balances and cash	銀行結餘及現金	325,640	550,577
Bank overdrafts	銀行透支	(19,807)	—
		305,833	550,577

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

1. GENERAL

Brilliant Circle Holdings International Limited (“the Company”) was incorporated in the Cayman Islands on 11 November 2008 as an exempted company with limited liability and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Its ultimate controlling party is Mr. Cai Xiao Ming, David (the “Controlling Shareholder”). The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business is Room 1201A, 12/F, Capital Centre, 151 Gloucester Road, Wanchai, Hong Kong.

The Company is an investment holding company. The principal activities of the Company and its subsidiaries (collectively referred to as the “Group”) are engaged in provision of the printing of cigarette packages, manufacturing of paper packaging materials, manufacturing of laminated papers, manufacturing and sale of radio frequency identification (“RFID”) products, printing of packages and decoration matters, research and development on printing technology, wholesale, import and export of the packaging products and other related services.

The Company's functional currency is Renminbi (“RMB”). For the convenience of the financial statements users, the condensed consolidated financial statements are presented in Hong Kong dollars (“HK\$”) as the Company's shares are listed on Stock Exchange.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”).

1. 一般資料

貴聯控股國際有限公司(「本公司」)於二零零八年十一月十一日於開曼群島註冊成立為獲豁免有限公司，其股份於香港聯合交易所有限公司(「聯交所」)主板上市。其最終控股方為蔡曉明先生(「控股股東」)。本公司的註冊辦事處地址為Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands，而主要營業地點則位於香港灣仔告士打道151號資本中心12樓1201A室。

本公司為投資控股公司。本公司及其附屬公司(統稱「本集團」)的主要業務為從事提供印刷香煙包裝、製造紙包裝材料、製造複合紙、製造及銷售射頻識別(「射頻識別」)產品、印刷包裝及裝潢印刷品、印刷技術研究及開發、包裝產品的批發及進出口以及其他相關服務。

本公司的功能貨幣為人民幣(「人民幣」)。為方便使用財務報表的人士，簡明綜合財務報表以港元(「港元」)呈列，原因為本公司股份於聯交所上市。

2. 編製基準

簡明綜合財務報表已遵照香港會計師公會(「香港會計師公會」)頒布的香港會計準則(「香港會計準則」)第34號「中期財務報告」及聯交所證券上市規則(「上市規則」)附錄十六的適用披露規定編製。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as appropriate.

Other than changes in accounting policies resulting from application of new and amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies and the methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2018.

Application of new and amendments to HKFRSs

In the current interim period, the Group has applied, for the first time, the following new and amendments to HKFRSs issued by the HKICPA which are mandatory effective for the annual period beginning on or after 1 January 2019 for the preparation of the Group’s condensed consolidated financial statements.

3. 主要會計政策

除若干金融工具按公允價值計量(如適用)外，簡明綜合財務報表乃按歷史成本基準編製。

除應用新訂香港財務報告準則(「香港財務報告準則」)及其修訂本所導致的會計政策變動外，截至二零一九年六月三十日止六個月的簡明綜合財務報表所採用會計政策及計算方法與本集團編製截至二零一八年十二月三十一日止年度的全年財務報表所遵循者相同。

應用新訂香港財務報告準則及其修訂本

於本中期期間，本集團編製簡明綜合財務報表時首次應用以下由香港會計師公會頒布並於二零一九年一月一日或之後開始的年度期間強制生效的新訂香港財務報告準則及其修訂本。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

Application of new and amendments to HKFRSs

(continued)

HKFRS 16	Leases
HK(IFRIC) — Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Payment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Amendments to HKFRSs	Annual Improvements to HKFRSs 2015–2017 Cycle

Except as described below, the application of the new and amendments to HKFRSs in the current period has had no material impact on the Group's financial position and performance for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. 主要會計政策 (續)

應用新訂香港財務報告準則及其修訂本 (續)

香港財務報告準則第16號	租賃
香港(國際財務報告詮釋委員會)—詮釋第23號	所得稅處理的不確定性
香港財務報告準則第9號 (修訂本)	具負補償的提早還款特性
香港會計準則第19號 (修訂本)	計劃修訂、縮減或清償
香港會計準則第28號 (修訂本)	於聯營公司及合營企業的長期權益
香港財務報告準則 (修訂本)	香港財務報告準則二零一五年至二零一七年週期的年度改進

除下述者外，於本期間應用新訂香港財務報告準則及其修訂本對本集團本期間及過往期間的財務狀況及表現及／或該等簡明綜合財務報表所載披露事項並無重大影響。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current interim period. HKFRS 16 superseded HKAS 17 “Leases” (“HKAS 17”), and the related interpretations.

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

The Group has applied the following accounting policies in accordance with the transition provisions of HKFRS 16.

Definition of a lease

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For contracts entered into or modified on or after the date of initial application, the Group assesses whether a contract is or contains a lease based on the definition under HKFRS 16 at inception or modification date. Such contract will not be reassessed unless the terms and conditions of the contract are subsequently changed.

As a lessee

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to leases of buildings and motor vehicles that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the recognition exemption for lease of low-value assets. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動

本集團於本中期期間首次應用香港財務報告準則第16號。香港財務報告準則第16號取代香港會計準則第17號「租賃」(「香港會計準則第17號」)及相關詮釋。

3.1.1 應用香港財務報告準則第16號所產生的主要會計政策變動

本集團根據香港財務報告準則第16號的過渡條文應用以下會計政策。

租賃的定義

倘合約於一段時間內轉讓控制使用已識別資產的權利以換取代價，則合約屬於或包含租賃。

就於首次應用日期或之後訂立或修訂的合約而言，本集團根據香港財務報告準則第16號的定義評估合約於開始或修訂日期是否屬於或包含租賃。除非隨後更改合約條款及條件，否則不會重新評估有關合約。

作為承租人

短期租賃及低價值資產租賃

本集團將短期租賃確認豁免應用於租期自開始日期起計12個月或以下且不含購買選擇權的租賃。有關確認豁免亦適用於低價值資產租賃。短期租賃及低價值資產租賃的租賃付款於租期內按直線法確認為開支。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

(continued)

As a lessee (continued)

Right-of-use assets

Except for short-term leases and leases of low value assets, the Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use asset includes:

- the amount of the initial measurement of the lease liability;
- any lease payments made at or before the commencement date, less any lease incentives received;
- any initial direct costs incurred by the Group; and
- an estimate of costs to be incurred by the Group in dismantling and removing the underlying assets, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

3. 主要會計政策 (續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動 (續)

3.1.1 應用香港財務報告準則第16號所產生的主要會計政策變動 (續)

作為承租人 (續)

使用權資產

除短期租賃及低價值資產租賃外，本集團於租賃開始當日（即相關資產可供使用的日期）確認使用權資產。使用權資產按成本減任何累計折舊及減值虧損計量，並就任何重新計量租賃負債作出調整。

使用權資產成本包括：

- 租賃負債的初始計量金額；
- 於開始日期或之前作出的任何租賃付款減任何已收租賃優惠；
- 本集團產生的任何初始直接成本；及
- 本集團就拆除及移除相關資產、修復其所在地或將相關資產恢復至租賃條款及條件所規定狀況估計產生的成本。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

(continued)

As a lessee (continued)

Right-of-use assets (continued)

Right-of-use assets in which the Group is reasonably certain to obtain ownership of the underlying leased assets at the end of the lease term is depreciated from commencement date to the end of the useful life. Otherwise, right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term.

The Group presents right-of-use assets as a separate line item on the consolidated statement of financial position.

Refundable rental deposits

Refundable rental deposits paid are accounted under HKFRS 9 “Financial Instruments” (“HKFRS 9”) and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments and included in the cost of right-of-use assets.

Lease liabilities

At the commencement date of a lease, the Group recognises and measures the lease liability at the present value of lease payments that are unpaid at that date. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動(續)

3.1.1 應用香港財務報告準則第16號所產生的主要會計政策變動(續)

作為承租人(續)

使用權資產(續)

本集團合理確定可於租期屆滿時取得相關租賃資產所有權的使用權資產自開始日期起至可使用年期結束當日止計提折舊。否則，使用權資產於估計可使用年期與租期兩者中的較短者以直線法折舊。

本集團將使用權資產呈列為綜合財務狀況報表的獨立項目。

可退還租賃訂金

已付可退還租賃訂金乃根據香港財務報告準則第9號「金融工具」(「香港財務報告準則第9號」)入賬，並初步按公允價值計量。於初始確認時對公允價值的調整被視為額外租賃付款，並計入使用權資產的成本。

租賃負債

於租賃開始日期，本集團按當日未付租賃付款現值確認及計量租賃負債。計算租賃付款現值時，倘租賃中隱含的利率難以確定，則本集團於租賃開始日期採用增量借款利率。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

(continued)

As a lessee (continued)

Lease liabilities (continued)

The lease payments include:

- fixed payments (including in-substance fixed payments) less any lease incentives receivable;
- variable lease payments that depend on an index or a rate;
- amounts expected to be paid under residual value guarantees;
- the exercise price of a purchase option reasonably certain to be exercised by the Group; and
- payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

After the commencement date, lease liabilities are adjusted by interest accretion and lease payments.

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動(續)

3.1.1 應用香港財務報告準則第16號所產生的主要會計政策變動(續)

作為承租人(續)

租賃負債(續)

租賃付款包括：

- 固定付款(包括實質固定付款)減任何應收租賃優惠；
- 基於指數或利率計算的可變租賃付款；
- 預期根據剩餘價值擔保支付的款項；
- 本集團合理確認將予行使購買選擇權的行使價；及
- 終止租賃的罰款(倘租期反映本集團行使終止選擇權)。

於開始日期後，租賃負債通過利息增加及租賃付款進行調整。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

(continued)

As a lessee (continued)

Lease liabilities (continued)

The Group remeasures lease liabilities (and makes a corresponding adjustment to the related right-of-use assets) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the related lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the date of reassessment.
- the lease payments change due to changes in market rental rates following a market rent review, in which cases the related lease liability is remeasured by discounting the revised lease payments using the initial discount rate.

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動(續)

3.1.1 應用香港財務報告準則第16號所產生的主要會計政策變動(續)

作為承租人(續)

租賃負債(續)

倘出現下列情況，本集團將重新計算租賃負債(並相應調整相關使用權資產)：

- 租期改變或購買選擇權的行使評估發生變化，在此情況下，相關租賃負債通過使用重新評估日期的經修訂貼現率貼現經修訂租賃付款而重新計量。
- 租賃付款因市場租金檢討後市場租金變動而改變，在此情況下，相關租賃負債通過使用初始貼現率貼現經修訂租賃付款而重新計量。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

(continued)

As a lessee (continued)

Lease modifications

The Group accounts for a lease modification as a separate lease if:

- the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Group remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

3. 主要會計政策 (續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動 (續)

3.1.1 應用香港財務報告準則第16號所產生的主要會計政策變動 (續)

作為承租人 (續)

租賃修訂

倘出現下列情況，本集團將租賃修訂作為單獨租賃入賬：

- 該修訂通過增加使用一項或多項相關資產的權利而擴大租賃範圍；及
- 調增租賃的代價，增加金額相當於範圍擴大對應的單獨價格，加上按照特定合約的實際情況對單獨價格進行的任何適當調整。

對於並非作為單獨租賃入賬的租賃修訂，本集團根據經修訂租賃的租期重新計量租賃負債，方法為於修訂生效日期採用經修訂貼現率貼現經修訂租賃付款。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

(continued)

As a lessee (continued)

Taxation

For the purposes of measuring deferred tax for leasing transactions in which the Group recognises the right-of-use assets and the related lease liabilities, the Group first determines whether the tax deductions are attributable to the right-of-use assets or the lease liabilities.

For leasing transactions in which the tax deductions are attributable to the lease liabilities, the Group applies HKAS 12 “Income Taxes” requirements to the leasing transaction as a whole. Temporary differences relating to right-of-use assets and lease liabilities are assessed on a net basis. Excess of depreciation on right-of-use assets over the lease payments for the principal portion of lease liabilities resulting in net deductible temporary differences.

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動(續)

3.1.1 應用香港財務報告準則第16號所產生的主要會計政策變動(續)

作為承租人(續)

稅項

就計量本集團確認使用權資產及相關租賃負債的租賃交易的遞延稅項而言，本集團首先釐定稅務扣減是否與使用權資產或租賃負債有關。

就稅務扣減與租賃負債有關的租賃交易而言，本集團就整體租賃交易應用香港會計準則第12號「所得稅」規定。與使用權資產及租賃負債相關的暫時差異按淨額基準評估。使用權資產折舊超出租賃負債主要部分的租賃付款部分導致產生可扣減暫時差異淨額。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.1 Key changes in accounting policies resulting from application of HKFRS 16

(continued)

As a lessor

Allocation of consideration to components of a contract

Effective on 1 January 2019, the Group has applied HKFRS 15 “Revenue from Contracts with Customers” (“HKFRS 15”) to allocate consideration in a contract to lease and non-lease components. Non-lease components are separated from lease component on the basis of their relative stand-alone selling prices.

Refundable rental deposits

Refundable rental deposits received are accounted under HKFRS 9 and initially measured at fair value. Adjustments to fair value at initial recognition are considered as additional lease payments from lessees.

Lease modification

The Group accounts for a modification to an operating lease as a new lease from the effective date of the modification, considering any prepaid or accrued lease payments relating to the original lease as part of the lease payments for the new lease.

3. 主要會計政策 (續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動 (續)

3.1.1 應用香港財務報告準則第16號所產生的主要會計政策變動 (續)

作為出租人

分配代價至合約組成部分

自二零一九年一月一日起，本集團應用香港財務報告準則第15號「客戶合約收益」(「香港財務報告準則第15號」)以將合約代價分配至租賃及非租賃組成部分。非租賃組成部分根據其相對獨立售價與租賃組成部分分開。

可退還租賃訂金

已收可退還租賃訂金乃根據香港財務報告準則第9號入賬，並初步按公允價值計量。於初始確認時對公允價值的調整被視為承租人的額外租賃付款。

租賃修訂

本集團將經營租賃的修訂作為自該修訂生效日期開始的新租賃入賬，將與原租賃相關的任何預付或應計租賃付款視為新租賃的部分租賃付款。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

Definition of a lease

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease and not apply this standard to contracts that were not previously identified as containing a lease. Therefore, the Group has not reassessed contracts which already existed prior to the date of initial application.

For contracts entered into or modified on or after 1 January 2019, the Group applies the definition of a lease in accordance with the requirements set out in HKFRS 16 in assessing whether a contract contains a lease.

As a lessee

The Group has applied HKFRS 16 retrospectively with the cumulative effect recognised at the date of initial application, 1 January 2019. Any difference at the date of initial application is recognised in the opening retained profits and comparative information has not been restated.

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動(續)

3.1.2 過渡及首次應用香港財務報告準則第16號所產生影響的摘要

租賃的定義

本集團已選用實際權宜之計，將香港財務報告準則第16號應用於先前根據香港會計準則第17號及香港(國際財務報告詮釋委員會)－詮釋第4號「決定一項安排是否包含租賃」識別為租賃的合約，而不會就先前未識別為包含租賃的合約應用此準則。因此，本集團尚未重新評估於首次應用日期之前已存在的合約。

就於二零一九年一月一日或之後訂立或修訂的合約而言，本集團根據香港財務報告準則第16號所載規定應用租賃的定義，以評估合約是否包含租賃。

作為承租人

本集團已追溯應用香港財務報告準則第16號，並於首次應用日期二零一九年一月一日確認累計影響。於首次應用日期的任何差額於期初保留溢利確認，惟並無重列比較資料。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

(continued)

As a lessee (continued)

When applying the modified retrospective approach under HKFRS 16 at transition, the Group applied the following practical expedients to leases previously classified as operating leases under HKAS 17, on lease-by-lease basis, to the extent relevant to the respective lease contracts:

- i. elected not to recognise right-of-use assets and lease liabilities for leases with lease term ends within 12 months of the date of initial application;
- ii. excluded initial direct costs from measuring the right-of-use assets at the date of initial application;
- iii. used hindsight based on facts and circumstances as at date of initial application in determining the lease term for the Group's leases with extension and termination options.

3. 主要會計政策 (續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動 (續)

3.1.2 過渡及首次應用香港財務報告準則第16號所產生影響的摘要 (續)

作為承租人 (續)

於過渡期間應用香港財務報告準則第16號項下經修訂追溯法時，本集團將以下實際權宜之計應用於先前根據香港會計準則第17號分類為經營租賃的租賃（按個別租賃基準並以相關租賃合約所涉及範圍為限）：

- i. 選擇不就租期於首次應用日期起12個月內結束的租賃確認使用權資產及租賃負債；
- ii. 於首次應用日期計量使用權資產時撇除初始直接成本；
- iii. 根據於首次應用日期的事實及情況事後釐定本集團附有延續及終止選擇權的租賃的租期。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

(continued)

As a lessee (continued)

On transition, the Group has made the following adjustments upon application of HKFRS 16:

As at 1 January 2019, the Group recognises additional lease liabilities and right-of-use assets at amounts equal to the related lease liabilities adjusted by any prepaid lease payments by applying HKFRS 16.C8(b)(ii) transition.

When recognising the lease liabilities for leases previously classified as operating leases, the Group has applied incremental borrowing rates of the relevant group entities at the date of initial application. The weighted average incremental borrowing rate applied by relevant group entities ranged from 4% to 6%.

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動(續)

3.1.2 過渡及首次應用香港財務報告準則第16號所產生影響的摘要(續)

作為承租人(續)

於過渡時，本集團已就應用香港財務報告準則第16號作出以下調整：

於二零一九年一月一日，本集團應用香港財務報告準則第16.C8(b)(ii)條過渡條文，按相等於經任何預付租賃款項調整的相關租賃負債的金額確認額外租賃負債及條用權資產。

就先前分類為經營租賃的租賃確認租賃負債時，本集團已於首次應用日期應用相關集團實體的增量借款利率。相關集團實體應用的加權平均增量借款利率介乎4%至6%。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

(continued)

As a lessee (continued)

3. 主要會計政策 (續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動 (續)

3.1.2 過渡及首次應用香港財務報告準則第16號所產生影響的摘要 (續)

作為承租人 (續)

At 1 January
2019
於二零一九年
一月一日
HK\$'000
千港元

Operating lease commitments disclosed as at 31 December 2018	於二零一八年十二月三十一日披露的經營租賃承擔	7,932
Lease liabilities discounted at relevant incremental borrowing rates	按相關增量借款利率貼現的租賃負債	7,619
Add: Lease liabilities resulting from lease modifications of existing leases [#]	加：因對現有租賃作出租賃修訂而產生的租賃負債 [#]	2,989
Less: Recognition exemption — short-term leases	減：確認豁免 — 短期租賃	(603)
Recognition exemption — low value assets	確認豁免 — 低價值資產	(125)
Lease liabilities as at 1 January 2019	於二零一九年一月一日的租賃負債	9,880
Analysed as	分析為	
Current	流動	4,446
Non-current	非流動	5,434
		9,880

[#] The Group renewed the leases of existing offices by entering into new lease contracts which commence after date of initial application, these new contracts are accounted as lease modifications of the existing contracts upon application of HKFRS 16.

[#] 本集團已透過訂立於首次應用日期後開始的新租賃合約重續現有辦公室的租賃，此等新租賃合約於應用香港財務報告準則第16號後乃作為現有合約的租賃修訂入賬。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 "Leases" (continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

(continued)

As a lessee (continued)

The carrying amount of right-of-use assets as at 1 January 2019 comprises the following:

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動(續)

3.1.2 過渡及首次應用香港財務報告準則第16號所產生影響的摘要(續)

作為承租人(續)

使用權資產於二零一九年一月一日的賬面值包括以下各項：

		Right-of-use assets 使用權資產 HK\$'000 千港元
Right-of-use assets relating to operating leases recognised upon application of HKFRS 16	於應用香港財務報告準則第16號後確認的經營租賃相關使用權資產	9,880
Reclassified from prepaid lease payments (Note)	從預付租賃款項重新分類(附註)	102,859
		112,739
By class:	按類別：	
Leasehold lands	租賃土地	102,859
Leasehold land and buildings	租賃土地及樓宇	9,880
		112,739

Note: Upfront payments for leasehold lands in the PRC were classified as prepaid lease payments as at 31 December 2018. Upon application of HKFRS 16, the current and non-current portion of prepaid lease payments amounting to HK\$2,425,000 and HK\$100,434,000 respectively were reclassified to right-of-use assets.

附註：於二零一八年十二月三十一日，中國租賃土地的預付款項被分類為預付租賃款項。於應用香港財務報告準則第16號後，預付租賃款項的流動及非流動部分分別為2,425,000港元及100,434,000港元已重新分類為使用權資產。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

(continued)

As a lessor

In accordance with the transitional provisions in HKFRS 16, the Group is not required to make any adjustment on transition for leases in which the Group is a lessor but account for these leases in accordance with HKFRS 16 from the date of initial application and comparative information has not been restated.

Upon application of HKFRS 16, new lease contracts entered into but commence after the date of initial application relating to the same underlying assets under existing lease contracts are accounted as if the existing leases are modified as at 1 January 2019. The application has had no impact on the Group's condensed consolidated statement of financial position at 1 January 2019. However, effective 1 January 2019, lease payments relating to the revised lease term after modification are recognised as income on straight-line basis over the extended lease term.

3. 主要會計政策 (續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動 (續)

3.1.2 過渡及首次應用香港財務報告準則第16號所產生影響的摘要 (續)

作為出租人

根據香港財務報告準則第16號的過渡條文，本集團毋須就本集團為出租人的租賃過渡作出任何調整，但須自首次應用日期起根據香港財務報告準則第16號就該等租賃入賬，且並無重列比較資料。

於應用香港財務報告準則第16號後，已訂立但於首次應用日期後開始並與現有租賃合約項下相同的相關資產有關的新租賃合約會按猶如現有租賃已於二零一九年一月一日獲修訂者入賬。有關應用對本集團於二零一九年一月一日的簡明綜合財務狀況報表並無構成影響。然而，自二零一九年一月一日起，與修訂後的經修訂租期相關的租賃付款會於經延長租期內按直線法基準確認為收入。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

(continued)

As a lessor (continued)

Effective on 1 January 2019, the Group has applied HKFRS 15 to allocate consideration in the contract to each lease and non-lease components. The change in allocation basis has had no material impact on the condensed consolidated financial statements of the Group for the current period.

The application of HKFRS 16 as a lessor has no material impact on the Group's condensed consolidated statement of financial position as at 1 January 2019 and 30 June 2019 and its condensed consolidated statement of profit or loss and other comprehensive income and statement of cash flows for the current interim period.

The following adjustments were made to the amounts recognised in the condensed consolidated statement of financial position at 1 January 2019. Line items that were not affected by the changes have not been included.

3. 主要會計政策(續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動(續)

3.1.2 過渡及首次應用香港財務報告準則第16號所產生影響的摘要(續)

作為出租人(續)

自二零一九年一月一日起，本集團應用香港財務報告準則第15號以將合約代價分配至各租賃及非租賃組成部分。分配基準的變動對本集團於本期間的簡明綜合財務報表並無構成任何重大影響。

應用香港財務報告準則第16號對本集團(作為出租人)於二零一九年一月一日及二零一九年六月三十日的簡明綜合財務狀況報表以及其於本中期期間的簡明綜合損益及其他全面收益報表及現金流量表並無重大影響。

於二零一九年一月一日對簡明綜合財務狀況報表內確認的金額作出以下調整，不包括未受變動影響的項目。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

3. PRINCIPAL ACCOUNTING POLICIES

(continued)

3.1 Impacts and changes in accounting policies of application on HKFRS 16 “Leases” (continued)

3.1.2 Transition and summary of effects arising from initial application of HKFRS 16

(continued)

As a lessor (continued)

3. 主要會計政策 (續)

3.1 應用香港財務報告準則第16號「租賃」對會計政策造成的影響及變動 (續)

3.1.2 過渡及首次應用香港財務報告準則第16號所產生影響的摘要 (續)

作為出租人 (續)

			Carrying amounts previously reported at 31 December 2018	Adjustments	Carrying amounts under HKFRS 16 at 1 January 2019
			過往於二零一八年十二月三十一日呈報的賬面值	調整	於二零一九年一月一日根據香港財務報告準則第16號列賬的賬面值
	Note		HK\$'000	HK\$'000	HK\$'000
	附註		千港元	千港元	千港元
Non-current assets		非流動資產			
Prepaid lease payments	(i)	預付租賃款項	100,434	(100,434)	–
Right-of-use assets		使用權資產	–	112,739	112,739
Current asset		流動資產			
Prepaid lease payments	(i)	預付租賃款項	2,425	(2,425)	–
Current liability		流動負債			
Lease liabilities		租賃負債	–	4,446	4,446
Non-current liability		非流動負債			
Lease liabilities		租賃負債	–	5,434	5,434

Note: For the purpose of reporting cash flows from operating activities under indirect method for the six months ended 30 June 2019, movements in working capital have been computed based on opening statement of financial position as at 1 January 2019 as disclosed above.

附註：就截至二零一九年六月三十日止六個月以間接方法報告經營活動的現金流量而言，營運資金的變動乃根據上文所披露二零一九年一月一日的期初財務狀況報表計算。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

4. REVENUE

Disaggregation of revenue from contracts with customers

Types of goods or services

4. 收益

客戶合約收益分類

貨品或服務類型

		Six months ended 30 June	
		截至六月三十日止六個月	
		2019	2018
		二零一九年	二零一八年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
Printing and manufacturing of cigarette packages and related materials	印刷及製造香煙包裝及相關材料		
— Printing of cigarette packages	— 印刷香煙包裝	517,637	482,549
— Manufacturing of paper packaging materials	— 製造紙包裝材料	37,812	—
Manufacturing of laminated papers	製造複合紙	20,115	22,498
Sales of RFID products	銷售射頻識別產品	41,356	41,659
		616,920	546,706

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

4. REVENUE (continued)

Disaggregation of revenue from contracts with customers (continued)

Timing of revenue recognition

4. 收益 (續)

客戶合約收益分類 (續)

收益確認時間

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

		Manufacturing of paper packaging materials 製造紙 包裝材料 (Unaudited) (未經審核) HK\$'000 千港元	Printing of cigarette packages 印刷香煙包裝 (Unaudited) (未經審核) HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 (Unaudited) (未經審核) HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 (Unaudited) (未經審核) HK\$'000 千港元	Total (Unaudited) (未經審核) HK\$'000 千港元
A point in time	於一個時間點	37,812	-	-	41,356	79,168
Over time	於一段時間內	-	517,637	20,115	-	537,752
Total	總計	37,812	517,637	20,115	41,356	616,920

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

		Printing of cigarette packages 印刷香煙包裝 (Unaudited) (未經審核) HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 (Unaudited) (未經審核) HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 (Unaudited) (未經審核) HK\$'000 千港元	Total (Unaudited) (未經審核) HK\$'000 千港元
A point in time	於一個時間點	-	-	41,659	41,659
Over time	於一段時間內	482,549	22,498	-	505,047
Total	總計	482,549	22,498	41,659	546,706

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

4. REVENUE (continued)

Disaggregation of revenue from contracts with customers (continued)

Geographical markets

Information about the Group's revenue from external customers is presented based on the geographical market in which the customers operate.

4. 收益(續)

客戶合約收益分類(續)

地區市場

有關本集團來自外部客戶收益的資料乃根據客戶經營所處地理市場呈列。

For the six months ended 30 June 2019

截至二零一九年六月三十日止六個月

		Manufacturing of paper packaging materials 製造紙 包裝材料 (Unaudited) (未經審核) HK\$'000 千港元	Printing of cigarette packages 印刷香煙包裝 (Unaudited) (未經審核) HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 (Unaudited) (未經審核) HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 (Unaudited) (未經審核) HK\$'000 千港元	Total (Unaudited) (未經審核) HK\$'000 千港元
PRC	中國	37,812	517,637	20,115	35,308	610,872
Others (Note)	其他(附註)	-	-	-	6,048	6,048
Total	總計	37,812	517,637	20,115	41,356	616,920

For the six months ended 30 June 2018

截至二零一八年六月三十日止六個月

		Printing of cigarette packages 印刷香煙包裝 (Unaudited) (未經審核) HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 (Unaudited) (未經審核) HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 (Unaudited) (未經審核) HK\$'000 千港元	Total (Unaudited) (未經審核) HK\$'000 千港元
PRC	中國	480,464	22,498	22,927	525,889
Others (Note)	其他(附註)	2,085	-	18,732	20,817
Total	總計	482,549	22,498	41,659	546,706

Note: Others included the Republic of Indonesia, the United States of America and the Republic of Korea.

附註：其他包括印度尼西亞共和國、美利堅合眾國及大韓民國。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

5. SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”), for the purposes of resource allocation and assessment of segment performance focuses on types of goods delivered or services provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

The Group’s operating and reportable segments currently are (i) printing and manufacturing of cigarette packages and related materials, (ii) manufacturing of laminated papers and (iii) sales of RFID products. The Group commenced the business of manufacturing of cigarette packages and related materials upon the acquisition of a new subsidiary in July 2018 and its result is included in segment of printing and manufacturing of cigarette packages and related materials. The CODM considered the Group has three (2018: three) operating and reportable segments which are based on the internal organisation and reporting structure. This is the basis upon which the Group is organised.

5. 分部資料

為分配資源及評估分部表現而向本公司執行董事(即主要營運決策者(「主要營運決策者」))呈報資料時，集中於所交付貨品或所提供服務的類別。本集團並無任何經主要營運決策者識別的經營分部整合而成的可報告分部。

本集團的經營及可報告分部目前為：(i) 印刷及製造香煙包裝及相關材料；(ii) 製造複合紙；及(iii)銷售射頻識別產品。本集團於二零一八年七月收購新附屬公司後開展製造香煙包裝及相關材料業務，其業績計入印刷及製造香煙包裝及相關材料分部。主要營運決策者認為本集團有三個(二零一八年：三個)經營及可報告分部，以內部組織及申報架構為基礎。此乃本集團組織的基準。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

5. SEGMENT INFORMATION (continued)

The following is an analysis of the Group's revenue and results by reportable segments:

For the six months ended 30 June 2019

5. 分部資料(續)

本集團按可報告分部劃分的收益及業績分析如下：

截至二零一九年六月三十日止六個月

		Printing and manufacturing of cigarette packages and related materials 印刷及製造 香煙包裝及 相關材料 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	555,449	20,115	41,356	616,920
Segment profit	分部溢利	116,720	4,637	4,786	126,143
Unallocated — other income and other gains and losses	未分配 — 其他收入以及 其他收益及虧損				22,121
Unallocated expenses	未分配開支				(65,849)
Finance costs	融資成本				(9,567)
Share of profits of associates	分佔聯營公司溢利				20,819
Share of loss of a joint venture	分佔一間合營企業溢利				(146)
Impairment loss on financial assets and contract assets, net of reversal	金融資產及合約資產 減值虧損(扣除撥回)				(784)
Profit before taxation	除稅前溢利				92,737

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

5. SEGMENT INFORMATION (continued) For the six months ended 30 June 2018

5. 分部資料(續) 截至二零一八年六月三十日止六個月

		Printing of cigarette packages 印刷 香煙包裝 HK\$'000 千港元	Manufacturing of laminated papers 製造複合紙 HK\$'000 千港元	Sales of RFID products 銷售射頻 識別產品 HK\$'000 千港元	Total 總計 HK\$'000 千港元
Segment revenue	分部收益	482,549	22,498	41,659	546,706
Segment profit	分部溢利	90,684	5,682	10,578	106,944
Unallocated — other income and other gains and losses	未分配 — 其他收入以及 其他收益及虧損				19,666
Unallocated expenses	未分配開支				(74,139)
Finance costs	融資成本				(11,137)
Share of profits of associates	分佔聯營公司溢利				21,938
Share of profit of a joint venture	分佔一間合營企業溢利				191
Impairment loss on financial assets and contract assets, net of reversal (Note)	金融資產及合約資產減值 虧損(扣除撥回)(附註)				(1,348)
Gain on disposal of subsidiaries	出售附屬公司的收益				90,101
Profit before taxation	除稅前溢利				152,216

Note: Impairment losses on financial assets and contract assets, net of reversal previously included in segment profit were excluded in current interim period according to the measure reported to the CODM.

附註：根據向主要營運決策者呈報的計量方式，過往計入分部溢利的金融資產及合約資產減值虧損(扣除撥回)於本中期期間撇除。

Segment profit represents the profit earned by each segment without allocation of corporate management expenses, directors' emoluments, share of profits of associates, share of (loss) profit of a joint venture, finance costs, unallocated other income, other gains and losses, impairment loss on financial assets and contract assets, net of reversal, amortisation of intangible assets relating to customer relationship, other expenses and gain on disposal of subsidiaries. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

分部溢利指各分部所賺取溢利，而並無分配公司管理開支、董事薪酬、分佔聯營公司溢利、分佔一間合營企業(虧損)溢利、融資成本、未分配其他收入、其他收益及虧損、金融資產及合約資產減值虧損(扣除撥回)、與客戶關係有關的無形資產攤銷、其他開支及出售附屬公司的收益。此乃就資源分配及表現評估向主要營運決策者呈報的計量方式。

All of the segment revenue reported above is from external customers.

上文呈報的所有分部收益均來自外部客戶。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

6. TAXATION

6. 稅項

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Current tax:	本期稅項：		
PRC Enterprise Income Tax ("EIT")	中國企業所得稅 (「企業所得稅」)	15,013	15,027
Withholding tax	預扣稅	5,975	4,993
Overprovision of EIT in prior year	先前年度企業所得稅的 超額撥備	(1,598)	(2,312)
		19,390	17,708
Deferred tax	遞延稅項	(3,282)	(2,387)
		16,108	15,321

No provision for taxation in Hong Kong has been made as the Group's income neither arises in, nor is derived from, Hong Kong.

由於本集團的收入並非於香港產生或取得，故並無就香港稅項計提撥備。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

6. TAXATION (continued)

The PRC EIT is calculated at the applicable prevailing tax rates from 15% to 25% (2018: 15% to 25%) in the PRC. Pursuant to the “Enterprise Income Tax Law for Foreign Investment Enterprises and Foreign Enterprises”, some PRC subsidiaries, being high-tech enterprises, were entitled to a reduced EIT rate of 15% for the years from 2016 to 2021.

Upon the New Tax Law and Implementation Regulations, the PRC withholding income tax is applicable to dividends payable to investors that are “non-PRC tax resident enterprises”, which do not have an establishment or place of business in the PRC, or which have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends have their sources within the PRC. Under such circumstances, dividends distributed from the PRC subsidiaries and associate to non-PRC tax resident group entities shall be subject to the withholding income tax at 10% or lower tax rate, as applicable. Under the relevant tax treaty, withholding tax rate on distribution to Hong Kong resident companies is 5%. Deferred taxation has been provided on undistributed earnings of all subsidiaries and associates.

6. 稅項(續)

中國企業所得稅按中國的適用當前稅率15%至25%(二零一八年:15%至25%)計算。根據「中國外商投資企業和外國企業所得稅法」,若干中國附屬公司(即高科技企業)於二零一六年至二零二一年可按減免企業所得稅稅率15%繳稅。

新稅法及實施規例生效後,中國預扣所得稅適用於應付屬「非中國居民納稅企業」投資者的股息,該等非中國居民納稅企業於中國並無機構或營業地點,或其於中國設有機構或營業地點但相關收入實際上與該機構或營業地點無關,惟以該等股息乃源自中國為限。於該等情況下,中國附屬公司及聯營公司派付予非中國居民納稅集團實體的股息須按10%的預扣所得稅稅率或較低稅率(如適用)繳稅。根據相關稅收協定,向香港居民公司作出分派的預扣稅稅率為5%。遞延稅項已就所有附屬公司及聯營公司的未分派盈利計提撥備。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

7. PROFIT FOR THE PERIOD

7. 期內溢利

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Profit for the period has been arrived at after charging (crediting):	期內溢利在扣除(計入)以下各項後達致：		
Staff costs:	員工成本：		
Directors' emoluments	董事薪酬	1,651	1,683
Other staff costs	其他員工成本		
Salaries and other benefits	薪金及其他福利	73,882	50,461
Contributions to retirement benefits schemes	退休福利計劃供款	7,601	7,594
Total staff costs	總員工成本	83,134	59,738
Less: capitalised in inventories included in costs of sales	減：於存貨中資本化計入銷售成本	(7,898) (60,297)	(2,099) (47,126)
		14,939	10,513
Depreciation of property, plant and equipment	物業、廠房及設備折舊	51,525	37,557
Release of prepaid lease payments	解除預付租賃款項	–	1,175
Depreciation of right-of-use assets	使用權資產折舊	3,382	–
Amortisation of intangible assets (included in cost of sales and administrative expenses)	無形資產攤銷 (計入銷售成本及行政開支)	26,115	22,858
Total depreciation and amortisation	折舊及攤銷總額	81,022	61,590
Less: capitalised in inventories included in cost of sales	減：於存貨中資本化計入銷售成本	(8,904) (57,472)	(2,434) (53,881)
		14,646	5,275

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

7. PROFIT FOR THE PERIOD (continued)

7. 期內溢利(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Depreciation of investment properties	投資物業折舊	950	1,824
Operating lease rentals in respect of rented premises	有關租用物業的經營租賃租金	832	1,325
Research and development costs recognised as an expense (included in other expenses)	確認為開支的研發成本 (計入其他開支)	1,395	1,107
Share of taxation of associates	分佔聯營公司的稅項	5,205	4,822
Impairment loss recognised in respect of contract assets and trade and other receivables, net	就合約資產以及貿易及其他應收款項確認的減值虧損淨額	784	1,348
Gross rental income from investment properties	投資物業的租金收入總額	(1,913)	(3,435)
Less: direct operating expenses incurred for investment properties that generated rental income during the period	減：期內產生租金收入的投資物業所產生的直接營運開支	820	1,824
		(1,093)	(1,611)
Gain from change in fair value of financial assets at FVTPL	按公允價值計入損益的金融資產公允價值變動收益	(1,377)	(1,790)
Gain from change in fair value of financial liabilities at FVTPL	按公允價值計入損益的金融負債公允價值變動收益	(1,190)	—
Net foreign exchange losses	外匯虧損淨額	44	228
Gain on disposals of property, plant and equipment	出售物業、廠房及設備的收益	(164)	(2,755)

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

8. DIVIDENDS

The aggregate amount of the dividend declared and paid in the interim period is as follows:

8. 股息

於中期期間宣派及支付的股息總額如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Dividends for ordinary shareholders of the Company recognised as distribution during the period:	期內確認為分派的本公司普通股股東股息：		
– 2018 special dividend	— 二零一八年特別股息	–	199,905

No dividends were paid, declared or proposed during the interim period. The directors of the Company have resolved not to declare any dividend in respect of the interim period.

概無於本中期期間派付、宣派或建議任何股息。本公司董事已議決不會就本中期期間派付任何股息。

During the six months ended 30 June 2018, a special dividend of HK12.75 cents per share, amounting approximately HK\$199,905,000, was declared to the shareholders in respect of the year ended 31 December 2017.

截至二零一八年六月三十日止六個月，本公司已就截至二零一七年十二月三十一日止年度向股東宣派特別股息每股12.75港仙，合計約為199,905,000港元。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

9. EARNINGS PER SHARE

The calculation of basic earnings per share attributable to owners of the Company is based on the following data:

9. 每股盈利

本公司擁有人應佔每股基本盈利乃按下列數據計算：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Earnings:	盈利：		
Earnings for the purpose of basic earnings per share (Profit for the period attributable to owners of the Company)	用以計算每股基本盈利的盈利(本公司擁有人應佔期內溢利)	76,078	132,703
		'000 千股	'000 千股
Number of shares:	股份數目：		
Weighted average number of ordinary shares in issue for the purpose of basic earnings per share	用以計算每股基本盈利的已發行普通股加權平均數	1,567,885	1,567,885

No dilutive earnings per share is presented for the six months ended 30 June 2019 and 2018 since there were no potential ordinary shares in issue during both periods.

由於截至二零一九年及二零一八年六月三十日止六個月並無任何潛在已發行普通股，故未有呈列該等期間的每股攤薄盈利。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

10. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT AND INVESTMENT PROPERTIES

During the current interim period, the Group disposed of certain plant and machineries with an aggregate carrying amount of approximately HK\$375,000 (30 June 2018: HK\$4,484,000) for a proceeds of approximately HK\$539,000 (30 June 2018: HK\$7,239,000), resulting in a gain on disposal of HK\$164,000 (30 June 2018: HK\$2,755,000).

Investment properties with carrying amount of approximately HK\$7,976,000 have been transferred to property, plant and equipment due to the expiration of lease agreement with a third party. These plants have been self-occupied by the Group since the expiration of lease agreement.

In addition, during the current interim period, the Group paid approximately HK\$57,012,000 (30 June 2018: HK\$28,081,000) for acquisition of property, plant and equipment to expand its operations which mainly included construction in progress of approximately HK\$36,621,000 (30 June 2018: HK\$23,455,000).

10. 物業、廠房及設備以及投資物業變動

於本中期期間，本集團出售若干賬面總值約375,000港元(二零一八年六月三十日：4,484,000港元)的廠房及機器，所得款項約為539,000港元(二零一八年六月三十日：7,239,000港元)，並就出售錄得收益164,000港元(二零一八年六月三十日：2,755,000港元)。

由於與一名第三方訂立的租賃協議已屆滿，故賬面值約7,976,000港元的投資物業已轉撥至物業、廠房及設備。自租賃協議屆滿以來，該等廠房一直由本集團自用。

此外，於本中期期間，本集團支付約57,012,000港元(二零一八年六月三十日：28,081,000港元)收購物業、廠房及設備以擴展業務，當中主要包括約36,621,000港元(二零一八年六月三十日：23,455,000港元)的在建工程。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

11. GOODWILL

11. 商譽

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
At beginning of the period/year	於期／年初	1,050,965	1,044,293
Arising from acquisition of a subsidiary	因收購一間附屬公司而產生	—	82,300
Impairment loss recognised during the period/year	期／年內確認的減值虧損	—	(48,000)
Exchange adjustments	匯兌調整	(968)	(27,628)
At end of period/year	於期／年末	1,049,997	1,050,965

For the purpose of impairment testing, goodwill is tested for impairment annually or more frequently when there is indication that the individual cash generating unit ("CGU") may be impaired. During the period ended 30 June 2019, the directors of the Group consider that there is no indication of impairment on any of its CGUs containing goodwill.

就減值測試而言，商譽每年或於有跡象顯示個別現金產生單位（「現金產生單位」）可能出現減值時進行減值測試。截至二零一九年六月三十日止期間，本集團董事認為任何包含商譽的現金產生單位均無減值跡象。

12. MOVEMENTS IN INTANGIBLE ASSETS

Intangible assets mainly represent customer relationship with carrying amounts of approximately HK\$130,039,000 (31 December 2018: HK\$156,503,000) and licenses and franchises with carrying amounts of approximately HK\$7,030,000 (31 December 2018: HK\$7,262,000).

During the current interim period, the amortisation of intangibles assets is approximately HK\$26,115,000 (30 June 2018: HK\$22,858,000).

12. 無形資產變動

無形資產主要指賬面值約為130,039,000港元（二零一八年十二月三十一日：156,503,000港元）的客戶關係以及賬面值約為7,030,000港元（二零一八年十二月三十一日：7,262,000港元）的牌照及特許權。

於本中期期間，無形資產攤銷約為26,115,000港元（二零一八年六月三十日：22,858,000港元）。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

13. INTERESTS IN ASSOCIATES

13. 於聯營公司的權益

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Cost of investment, unlisted	投資成本，非上市	302,639	302,639
Share of post-acquisition profits and other comprehensive income, net of dividends received	分佔收購後溢利及其他全面收益（扣除已收股息）	104,848	157,258
Exchange adjustments	匯兌調整	1,094	707
		408,581	460,604

14. TRADE RECEIVABLES

14. 貿易應收款項

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Trade receivables	貿易應收款項		
— third parties	— 第三方	531,283	546,799
— an associate	— 一間聯營公司	13,619	9,827
		544,902	556,626
Less: allowance for credit losses	減：信貸虧損撥備	(12,616)	(11,989)
		532,286	544,637

The Group allows a credit period of 60 days to 90 days to its trade customers. The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the date of delivery goods/invoice date at the end of the reporting period, which approximated revenue recognition dates except for receivables arising from printing of cigarette packages and manufacturing of laminated papers which are recognised over time upon application of HKFRS 15.

本集團授予其貿易客戶60日至90日的信貸期。以下為於報告期末按交付貨品日期／發票日期呈列貿易應收款項（扣除信貸虧損撥備）的賬齡分析，其與收益確認日期相若，惟於應用香港財務報告準則第15號後隨時間確認的印刷香煙包裝及製造複合紙應收款項除外。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

14. TRADE RECEIVABLES (continued)

14. 貿易應收款項 (續)

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
0–90 days	0至90日	394,559	473,075
91–180 days	91至180日	76,393	30,180
181–365 days	181至365日	38,295	14,338
Over 365 days	超過365日	23,039	27,044
		532,286	544,637

As at 30 June 2019, total bills received amounting to HK\$13,845,000 (31 December 2018: HK\$10,881,000) were held by the Group for future settlement of trade receivables due from third parties. The Group continues to recognise their full carrying amounts at the end of the reporting period. All bills received by the Group are with a maturity period of less than one year.

於二零一九年六月三十日，本集團持有已收票據總額13,845,000港元（二零一八年十二月三十一日：10,881,000港元），以供日後結算應收第三方貿易應收款項。本集團繼續於報告期末確認該等貿易應收款項的全部賬面值。本集團所有已收票據的到期日均少於一年。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

15. CONTRACT ASSETS

15. 合約資產

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Contract assets — current:	合約資產 — 流動：		
Printing of manufacturing of cigarette packages and related materials	印刷及製造香煙包裝及相關材料	164,240	163,245
Manufacturing of laminated papers	製造複合紙	2,938	2,140
		167,178	165,385

The contract assets primarily relate to the Group's right to consideration for work completed and not billed because the rights are conditioned on the Group's future performance in delivering the goods to the customers at the reporting date on provision of printing of cigarette package and manufacturing of laminated papers. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically transfers the contract assets to trade receivables when the products are delivered and accepted by the customers.

合約資產主要與本集團收取已完成而未開單工程相關代價的權利，原因為有關權利須視乎本集團於報告日期向客戶交付提供香煙包裝印刷及製造複合紙所涉及貨品的未來表現而定。當有關權利成為無條件時，合約資產將轉撥至貿易應收款項。本集團通常於交付產品並獲客戶接納時將合約資產轉撥至貿易應收款項。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

16. IMPAIRMENT LOSSES ON FINANCIAL ASSETS AND CONTRACT ASSETS, NET OF REVERSAL

16. 金融資產及合約資產減值虧損（扣除撥回）

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Net impairment losses recognised (reversed) on:	已就以下各項確認(撥回)減值虧損淨額：		
— Trade receivables	— 貿易應收款項	660	1,220
— Contract assets	— 合約資產	29	(28)
— Other receivables	— 其他應收款項	95	156
		784	1,348

The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2019 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2018.

截至二零一九年六月三十日止六個月簡明綜合財務報表用以釐定輸入數據及假設的基準以及估算技術與編製本集團截至二零一八年十二月三十一日止年度全年財務報表所依循者相同。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

17. TRADE PAYABLES

The following is an aged analysis of trade payables, presented based on the invoice date at the end of the reporting period:

17. 貿易應付款項

以下為於報告期末按發票日期呈列貿易應付款項的賬齡分析：

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
0–30 days	0至30日	99,834	120,043
31–90 days	31至90日	64,665	70,925
91–180 days	91至180日	24,065	19,928
181–365 days	181至365日	9,206	17,095
Over 365 days	超過365日	5,015	1,685
		202,785	229,676

As at 30 June 2019, bills amounting to HK\$5,144,000 (31 December 2018: nil) were transferred to suppliers for settling trade payables.

於二零一九年六月三十日，為數5,144,000港元(二零一八年十二月三十一日：無)的票據已轉撥予供應商以結算貿易應付款項。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

18. BANK BORROWINGS

18. 銀行借貸

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Bank borrowings comprise:	銀行借貸包括：		
Unsecured	無抵押	510,270	620,084
Carrying amount repayable based on scheduled repayment dates:	根據預定還款日期須於		
Within one year	以下時間償還的賬面值：	465,699	549,905
More than one year, but not more than two years	一年內 超過一年但於兩年內	—	18,750
		465,699	568,655
The carrying amount of bank borrowings that contain a repayment on demand clauses (shown under current liability) but repayable	包含按要求償還條款（計入流動負債）但須於以下時間償還的銀行借貸的賬面值		
Within one year	一年內	13,714	13,714
More than one year, but not more than two years	超過一年但於兩年內	13,714	13,714
More than two years, but not more than five years	超過兩年但於五年內	17,143	24,001
		44,571	51,429
		510,270	620,084
Less: Amounts shown under current liabilities	減：計入流動負債的金額	510,270	601,334
Amounts shown under non-current liabilities	計入非流動負債的金額	—	18,750

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

18. BANK BORROWINGS (continued)

18. 銀行借貸(續)

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Fixed-rate borrowings	定息借貸	51,149	41,488
Floating-rate borrowings	浮息借貸	459,121	578,596
		510,270	620,084

At the end of reporting period, the ranges of effective interest rates (which are also equal to contracted interest rates) on the Group's bank borrowings are as follows:

於報告期末，本集團銀行借貸的實際利率（亦等於合約利率）範圍如下：

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核)	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核)
Fixed-rate borrowings	定息借貸	4.4%–5.9%	4.6%–6.5%
Floating-rate borrowings	浮息借貸	3.0%–6.5%	2.4%–5.9%

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

19. GOVERNMENT GRANTS

19. 政府補助

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Arising from government grants:	源自政府補助：		
Current liability (included in other payables and accruals)	流動負債(計入其他應付款項及應計費用)	2,529	2,533
Non-current liability	非流動負債	28,860	30,175
		31,389	32,708

The government subsidies received related to the acquisition of property, plant and equipment in the PRC. The amount has been treated as deferred income. The amount is transferred to income on a systematic basis over the estimated useful lives of the related assets. This policy has resulted in a credit to income in the current interim period of HK\$1,287,000 (30 June 2018: HK\$1,368,000). As at 30 June 2019, an amount of HK\$31,389,000 (30 December 2018: HK\$32,708,000) remains to be amortised.

已收政府補助金與收購中國物業、廠房及設備有關。該款項被視為遞延收入，並於相關資產估計使用年內有系統地轉撥至收入。該政策導致本中期期間確認收入1,287,000港元(二零一八年六月三十日：1,368,000港元)。於二零一九年六月三十日，金額31,389,000港元(二零一八年十二月三十日：32,708,000港元)有待攤銷。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

20. SHARE CAPITAL

20. 股本

		Number of shares 股份數目	Nominal value 面值 HK\$'000 千港元
Authorised:	法定：		
Ordinary shares of HK\$0.005 each	每股面值 0.005 港元的普通股		
At 1 January 2018, 1 January 2019 and 30 June 2019	於二零一八年一月一日、二零一九年一月一日及二零一九年六月三十日	10,000,000,000	50,000
Issued and fully paid:	已發行及已繳足：		
Ordinary shares of HK\$0.005 each	每股面值 0.005 港元的普通股		
At 1 January 2018, 1 January 2019 and 30 June 2019	於二零一八年一月一日、二零一九年一月一日及二零一九年六月三十日	1,567,884,634	7,839

21. PLEDGE OF ASSETS

At the end of the reporting period, the carrying amounts of the assets pledged by the Group to secure the bank facilities granted to the Group are as follow:

21. 資產抵押

於報告期末，本集團抵押以擔保本集團所獲授銀行融資的資產賬面值如下：

		30 June 2019 二零一九年六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Bank deposits	銀行存款	12,055	11,250

In addition, the Group's lease liabilities of approximately HK\$6,021,000 are recognised with related right-of-use assets of approximately HK\$6,002,000 as at 30 June 2019.

此外，本集團於二零一九年六月三十日就相關使用權資產約 6,002,000 港元確認租賃負債約 6,021,000 港元。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

22. RELATED PARTY DISCLOSURES

(a) Transactions with related companies

The Group had the following significant transactions with related parties during the period:

22. 關連人士披露

(a) 與關連公司的交易

於本期間內，本集團進行下列重大關連人士交易：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Company controlled by a director of the Company:	由本公司一名董事控制的公司：		
Purchase of printing and packing machineries	購買印刷及包裝機器	71	975
An associate:	一間聯營公司：		
Revenue from printing of cigarette packages	印刷香煙包裝的收入	31,979	7,799

(b) Balances with related parties are disclosed in the condensed consolidated statement of financial position.

(b) 關連人士結餘於簡明綜合財務狀況報表披露。

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

22. RELATED PARTY DISCLOSURES (continued)

(c) Compensation of key management personnel

The remuneration of directors and other members of key management during the period was as follows:

22. 關連人士披露(續)

(c) 主要管理人員酬金

董事及其他主要管理層成員於期內的薪酬如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2019 二零一九年 (Unaudited) (未經審核) HK\$'000 千港元	2018 二零一八年 (Unaudited) (未經審核) HK\$'000 千港元
Short-term benefits	短期福利	3,419	4,543
Contribution to retirement benefits schemes	退休福利計劃供款	57	91
		3,476	4,634

23. CAPITAL COMMITMENTS

At the end of reporting period, the Group had outstanding capital commitments as follows:

23. 資本承擔

於報告期末，本集團尚未履行的資本承擔如下：

		30 June 2019 二零一九年 六月三十日 (Unaudited) (未經審核) HK\$'000 千港元	31 December 2018 二零一八年 十二月三十一日 (Audited) (經審核) HK\$'000 千港元
Capital expenditure in respect of the acquisition of property, plant and equipment contracted for but not provided in the condensed consolidated financial statements	就收購物業、廠房及設備已訂約但尚未於簡明綜合財務報表撥備的資本開支	52,813	67,062

Notes to the condensed consolidated financial statements

簡明綜合財務報表附註

For the six months ended 30 June 2019 截至二零一九年六月三十日止六個月

24. CONTINGENT LIABILITIES

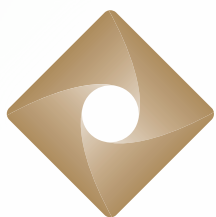
During the year ended 31 December 2017, the Group has received a Notice of Arbitration from Shenzhen Court of International Arbitration that Shenzhen Court of International Arbitration has accepted the application (the "Application") for arbitration filed by an ex-staff of a subsidiary of the Company (the "Claimant"). According to the Application, the Claimant requests for the payment of: (i) a fund raising reward of about HK\$108.9 million and the related overdue interest since April 2008; (ii) a service fee of RMB2.0 million (equivalent to approximately HK\$2,305,000) and the related overdue interest since July 2007; (iii) legal fees incurred of about HK\$47.0 million and RMB0.9 million (equivalent to approximately HK\$1,037,000); and (iv) arbitration fee, in connection with an appointment contract and another agreement entered into between, among other party, a subsidiary of the Company and the Claimant in April 2005.

The directors of the Company consider that all allegations in the Application are unfounded and without merits. In this regard, the Group has categorically defended and challenged all the claims by the Claimant during the arbitration process. In the opinion of the directors of the Company, it is not probable that the Group has an obligation to settle the claims based on the legal advice and no provision is considered to be recognised to the consolidated financial statements accordingly.

24. 或然負債

截至二零一七年十二月三十一日止年度，本集團接獲深圳國際仲裁院發出的仲裁通知，當中表示深圳國際仲裁院已受理本公司旗下一間附屬公司的一名前僱員（「申索人」）提出的仲裁申請（「該申請」）。根據該申請，申索人要求根據由（其中包括）本公司一間附屬公司與申索人於二零零五年四月訂立的聘用合同及另一份協議書獲支付(i)為數約108,900,000港元的集資報酬及自二零零八年四月以來的相關逾期利息；(ii)為數人民幣2,000,000元的服務費（相當於約2,305,000港元）及自二零零七年七月以來的相關逾期利息；(iii)所引致的法律費用約47,000,000港元及人民幣900,000元（相當於約1,037,000港元）；及(iv)仲裁費。

本公司董事認為，該申請的一切指控均無事實根據及缺乏充分理據。就此，本集團已於仲裁過程中積極抗辯及反對申索人提出的一切申索。本公司董事認為，基於法律意見，本集團不可能須償付申索，故認為毋須在綜合財務報表確認撥備。



Brilliant Circle Holdings International Limited
貴聯控股國際有限公司